

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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OKRA ENERGY, LLC  
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DOCKET NO. 16-188-LNG

ORDER GRANTING BLANKET AUTHORIZATION TO EXPORT  
LIQUEFIED NATURAL GAS (LNG) IN ISO CONTAINERS  
LOADED AT A PROPOSED LNG PLANT IN SOUTHERN ALABAMA AND EXPORTED  
BY BARGE OR VESSEL TO FREE TRADE AGREEMENT COUNTRIES  
IN THE CARIBBEAN AND LATIN AMERICA

DOE/FE ORDER NO. 4019

APRIL 18, 2017

## I. DESCRIPTION OF REQUEST

On November 28, 2016, Okra Energy, LLC (Okra Energy) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA)<sup>1</sup> for blanket authorization to export up to a combined total of 20 billion cubic feet (Bcf) of liquefied natural gas (LNG) over a two-year period. Okra Energy seeks authority to export domestically produced LNG in approved intermodal containers (ISO) shipped from the Port of Alabama in Mobile, Alabama to Caribbean and/or Latin America 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) and which has the capacity to import LNG.

Okra Energy states that the exports will be shipped via ISO containers from its own proposed small scale LNG liquefaction facility in southern Alabama, then delivered via LNG trucks to the Port of Alabama in Mobile, Alabama. The LNG to be exported will be loaded onto a barge or container ship for transport to the Caribbean and/or Latin America. The applicant requests the authorization be granted for a two-year term beginning on the earlier of the date of first export or eighteen months after the issuance of this Order.

Okra Energy is a Delaware limited partnership with its principal place of business in New York, New York. Okra Energy is owned by Fresnel Holdings, LLC, with its principal place of business in New York, New York.

## II. FINDING

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<sup>1</sup> The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA (15 U.S.C. § 717b) has been delegated to the Assistant Secretary for FE in Redelegation Order No. 00-006.02, issued on November 17, 2014.

The application has been evaluated to determine if the proposed import and/or export arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import and export of natural gas, including LNG, from and to a nation with which there is in effect a FTA requiring national treatment for trade in natural gas and the import of LNG from other international sources are deemed to be consistent with the public interest, and applications for such imports and exports must be granted without modification or delay. The authorization sought by Okra Energy to export LNG to FTA countries in the Caribbean and/or Latin America by barge and container ships meets the section 3(c) criterion and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of no longer than two years.

Okra Energy requests authorization to act on its own behalf or as agent on behalf of other entities who hold title to the LNG. DOE/FE addressed the issue of agency rights in *Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC*, DOE/FE Order No. 2913, issued February 10, 2011. In Order 2913, DOE/FE approved a proposal by Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC (collectively, FLEX) to register each LNG title holder for whom FLEX sought to export LNG as agent. This proposal was an acceptable alternative to the non-binding policy adopted by DOE/FE in *Dow Chemical*,<sup>2</sup> which established that the title for all LNG authorized for export must be held by the authorization holder at the point of export. The same policy considerations that supported DOE/FE's acceptance of the alternative proposal in Order 2913 apply here as well to both imports and exports. The authorization granted herein

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<sup>2</sup> *Dow Chemical* DOE/FE Order No. 2859, Order Granting Blanket Authorization to Export Liquefied Natural Gas, at 7-8 (Oct. 5, 2010).

shall require that where Okra Energy proposes to export as agent for others, Okra Energy will register those companies in accordance with the procedures and requirements described herein.

### ORDER

Pursuant to section 3 of the NGA, it is ordered that:

A. Okra Energy is authorized to export up to a combined total of 20 Bcf of natural gas in ISO containers and shipped by barge and container ships to FTA countries in the Caribbean and/or Latin America, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term which will begin on the earlier of the date of first export or October 18, 2018, and extends through the earlier of two years from the date of first export or October 18, 2020.

B. This LNG may be exported in ISO containers by truck, then shipped via barge and container ships from the Port of Alabama in Mobile, Alabama.

C. Okra Energy is permitted to use its authorization in order to export LNG on behalf of or as agent for others, after registering the other party with DOE/FE. Registration materials shall include an acknowledgement and agreement by the Registrant to supply Okra Energy with all information necessary to permit Okra Energy to register that person or entity with DOE/FE, including: (1) the Registrant's agreement to comply with this Order and all applicable requirements of DOE's regulations at 10 CFR Part 590, including but not limited to destination restrictions; (2) the exact legal name of the Registrant, state/location of incorporation/registration, primary place of doing business, and the Registrant's ownership structure, including the ultimate parent entity if the Registrant is a subsidiary or affiliate of another entity; and (3) the name, title, mailing address, e-mail address, and telephone number of a corporate officer or employee of the Registrant to whom inquiries may be directed.

D. Each registration submitted pursuant to this Order shall have current information on file with DOE/FE. Any changes in company name, contact information, or other relevant modification, shall be filed with DOE/FE within 30 days of such change(s).

E. Within two weeks after the first export of domestically produced LNG occurs from the Port of Alabama, Okra Energy shall provide written notification of the date that the first export of LNG authorized in Ordering Paragraph A above occurred.

F. Monthly Reports: With respect to the LNG exports authorized by this Order, Okra Energy shall file with the Office of Regulation and International Engagement, within 30 days following the last day of each calendar month, a report indicating whether exports of LNG have been made. The first monthly report required by this Order is due not later than the 30<sup>th</sup> day of the month following the month that the authorization is effective. In subsequent months, if exports have not occurred, a report of “no activity” for that month must be filed. If exports of LNG have occurred, the report must give the following details of each LNG cargo: If exports of LNG have occurred, the report must give the following details of each LNG cargo: (1) the name(s) of the authorized exporter; (2) the name of the U.S. export terminal; (3) the name of the ocean-going vessel; (4) the date of departure from the U.S. export terminal; (5) the country (or countries) into which the LNG or natural gas is actually delivered and/or received for end use; (6) the name of the supplier/seller; (7) the volume in thousand cubic feet (Mcf); (8) the price at point of export per million British thermal units (MMBtu); (9) the name and location (city/state) of the facility where the ISO container is loaded with LNG; (10) the modes(s) of transport used to move the loaded ISO container from the loading facility to the export port or terminal; (11) the duration of the supply agreement (indicate spot sales); and (12) the name(s) of the purchaser(s).  
(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

K. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Regulation and International Engagement, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Natural Gas Reports. Alternatively, reports may be e-mailed to [ngreports@hq.doe.gov](mailto:ngreports@hq.doe.gov), or may be faxed to (202) 586-6050.

Issued in Washington, D.C., on April 18, 2017.



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John A. Anderson  
Director, Office of Regulation and International Engagement  
Office of Oil and Natural Gas