

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

FREEPORT LNG EXPANSION, L.P.,)
FLNG LIQUEFACTION, LLC,)
FLNG LIQUEFACTION 2, LLC, AND)
FLNG LIQUEFACTION 3, LLC)

FE DOCKET NO. 10-160-LNG

ORDER GRANTING REQUEST TO EXTEND COMMENCEMENT DATE OF EXPORT
AUTHORIZATION

DOE/FE ORDER NO. 2913-B

On February 10, 2011, in the above-referenced docket, the Office of Fossil Energy (FE) of the Department of Energy (DOE) issued DOE/FE Order No. 2913, as amended by Order No. 2913-A,¹ under section 3(c) of the Natural Gas Act (NGA), 15 U.S.C. § 717b(c).² Under Order No. 2913, as amended,³ Freeport LNG Expansion, L.P., FLNG Liquefaction, LLC, FLNG Liquefaction 2, LLC, and FLNG Liquefaction 3, LLC (collectively, FLEX) are authorized to export domestically produced liquefied natural gas (LNG) in a volume equivalent to 511 billion

¹ *Freeport LNG Expansion, L.P., et al.*, DOE/FE Order No. 2913, FE Docket No. 10-160-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Freeport LNG Terminal to Free Trade Nations (Feb. 10, 2011), as amended, DOE/FE Order No. 2913-A (Feb. 7, 2014).

² 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.

³ DOE/FE Order No. 2913-A amended the authorization holders of Order No. 2913, but all other ordering paragraphs of Order No. 2913 remained unchanged.

cubic feet per year (Bcf/yr) of natural gas by vessel from the Freeport LNG Terminal on Quintana Island, near Freeport, Texas. FLEX is authorized to export this LNG to any country 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, and with which trade is not prohibited by U.S. law or policy (FTA countries).⁴ This authorization is for a 25-year period, commencing “on the earlier of the date of first export, or February 10, 2016.”⁵

On April 10, 2017, FLEX submitted a letter to DOE/FE requesting an extension of the commencement date for Order No. 2913.⁶ Specifically, FLEX asks DOE/FE to extend the term of authorization to be “the earlier of the date of first export or February 10, 2020.”⁷ According to FLEX, this extension will enable it to align the term of authorization under DOE/FE Order No. 2913 with the current construction schedule and terms of authorization of FLEX’s other LNG export orders (DOE/FE Order Nos. 3066-A, 3282-C, 3357-B, and 3957).

We construe FLEX’s letter as a request to amend DOE/FE Order No. 2913. Accordingly, pursuant to NGA section 3(c), DOE/FE hereby grants FLEX’s request and amends the term of the authorization set forth in DOE/FE Order No. 2913. Section 3(c) was amended by Section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486) to require that FTA applications “shall be deemed to be consistent with the public interest” and “granted without modification or delay”⁸ DOE/FE finds that the requested amendment to FLEX’s existing FTA authorization

⁴ 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.

⁵ *FLEX*, DOE/FE Order No. 2913, at 8 (Ordering Para. A).

⁶ *See* Ltr. from John B. Tobola, General Counsel of FLEX, to DOE/FE, Request for Extension of Commencement Date of Export Authorization, FE Docket No. 10-160-LNG (Apr. 10, 2017).

⁷ *Id.* at 2.

⁸ 15 U.S.C. § 717b(c).

NGA section 3(c) and therefore, DOE/FE approves the amendment without modification or delay.

Ordering Paragraph A of DOE/FE Order No. 2913 is hereby amended as follows:

- A. FLEX is authorized to export domestically produced LNG by vessel from the Freeport Terminal, near Freeport, Texas, on its own behalf or acting as agent for others, up to 511 Bcf per year for a 25-year term, beginning on the earlier of the date of first export **or February 10, 2020**, pursuant to one or more long-term contracts (greater than two years) with third parties with terms not to exceed the term of the authorization.

All other terms and conditions of DOE/FE Order No. 2913, as amended by Order No. 2913-A, shall remain in full force and effect.

Issued in Washington, D.C., on June 7, 2017.



John A. Anderson
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Office of Oil and Natural Gas