UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

NFE ALTAMIRA FLNG, S. DE. R.L. DE C.V.	DOCKET NO. 22-110-LNG

ORDER GRANTING LONG-TERM AUTHORIZATION TO RE-EXPORT U.S.-SOURCED NATURAL GAS IN THE FORM OF LIQUEFIED NATURAL GAS FROM MEXICO TO NON-FREE TRADE AGREEMENT NATIONS

DOE/FECM ORDER NO. 5156

AUGUST 31, 2024

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FREQUENTLY USED ACRONYMS

AEO	Annual Energy Outlook
Bcf/d	Billion Cubic Feet per Day
Bcf/yr	Billion Cubic Feet per Year
DOE	U.S. Department of Energy
EA	Environmental Assessment
EIA	U.S. Energy Information Administration
EPA	U.S. Environmental Protection Agency
FE	Office of Fossil Energy (prior to July 4, 2021)
FECM	Office of Fossil Energy and Carbon Management
FERC	Federal Energy Regulatory Commission
FLNG	Floating LNG Facility
FONSI	Finding of No Significant Impact
FTA	Free Trade Agreement
GHG	Greenhouse Gas
IEO	International Energy Outlook
LCA	Life Cycle Analysis
LNG	Liquefied Natural Gas
MMBtu	Million British Thermal Units
Mtpa	Million Metric Tons per Annum
NEPA	National Environmental Policy Act
NGA	Natural Gas Act
Tcf	Trillion Cubic Feet

I. INTRODUCTION

On September 9, 2022, NFE Altamira FLNG, S. de R.L. de C.V. (NFE Altamira) filed an application (Application)[1] with the Department of Energy's (DOE) Office of Fossil Energy and Carbon Management under section 3 of the Natural Gas Act (NGA).[2] NFE Altamira states that it is submitting the Application in connection with the development of a floating liquefaction and export terminal project proposed by its affiliate, Mexico FLNG S. de R.L. de C.V. (Mexico FLNG).[3] This facility, known as the New Fortress Energy Altamira FLNG Project (Project), is located off the coast of Altamira, Tamaulipas, Mexico, in the Gulf of Mexico.[4]

The Project recently commenced operations, having exported its first LNG cargo on August 9, 2024.[5] On August 19, 2024, NFE Altamira reported that "[t]he FLNG 1 unit is expected to continue its production ramp and will reach full production later [in August]."[6]

In the Application, NFE Altamira requests long-term, multi-contract authorization to export U.S.-sourced natural gas to Mexico, and after liquefaction in Mexico, to re-export[7] the liquefied natural gas (LNG).[8] Specifically, NFE Altamira seeks to:

[1] NFE Altamira FLNG, S. de R.L. de C.V., Application for Long-Term, Multi-Contract Authorizations to Export Natural Gas to Mexico and to Re-Export Liquefied Natural Gas from Mexico to Free Trade Agreement and Non-Free Trade Agreement Nations, Docket No. 22-110-LNG (Sept. 9, 2022) [hereinafter NFE Altamira App.]. NFE Altamira submitted project updates on February 10, 2023, and June 20, 2023. *See* Docket No. 22-110-LNG.
[2] 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 Natural Gas Act (NGA), 15 U.S.C. § 717b, has been delegated to the Assistant Secretary for FECM in Redelegation Order No. S4-DEL-FE1-2023, issued on April 10, 2023.
[3] NFE Altamira App. at 2.
[4] *Id.* at 2, 5, 18.
[5] NFE Altamira FLNG, S. de R.L. de C.V., Notification of First Export, Docket No. 22-110-LNG (Aug. 23, 2024).
[6] New Fortress Energy Inc., "Fast LNG Asset Resumes Production After Scheduled Maintenance Outage" (Aug. 19, 2024), https://ir.newfortressenergy.com/news-releases/news-release-details/fast-lng-asset-resumes-production-after-scheduled-maintenance.
[7] For purposes of this Order, "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 NGA, 15 U.S.C. § 717b, from one foreign country (*i.e.*, a country other than the United States) to another foreign country.
[8] NFE Altamira App. at 1-2.

(i) Use approximately 13 Bcf/yr (0.03 Bcf/d) of the U.S.-sourced natural gas in Mexico as "fuel in the liquefaction process and [] process gas loss during the pretreatment process;"[9]

(ii) Re-export 145 Bcf/yr of the U.S.-sourced natural gas (0.40 Bcf/d) in the form of LNG by vessel to:

a. Any country with which the United States has entered into a free trade agreement (FTA) requiring national treatment for trade in natural gas (FTA countries), under NGA section 3(c); [10] and

b. Any other country with which trade is not prohibited by U.S. law or policy (non-FTA countries), under NGA section 3(a).[11]

NFE Altamira further states that the export volumes may be U.S.-sourced natural gas for which it has acquired title in the United States and/or for which it acquires title in Mexico.[12] Thus, for purposes of this Order, NFE Altamira requests a non-FTA authorization for only the volume of U.S.-sourced natural gas to be re-exported in the form of LNG from Mexico to non-FTA countries (145 Bcf/yr).[13] Additionally, we take administrative notice of NFE Altamira's potential plans to use some portion of its capacity to serve domestic destinations, including Puerto Rico.[14]

NFE Altamira states that the U.S.-sourced natural gas for which it acquires title in the United States will be exported to Mexico at the United States-Mexico border via the existing border-crossing facilities of Valley Crossing Pipeline, LLC (Valley Crossing Pipeline), and potentially, cross-border natural gas pipelines that may be constructed, independent of the

[9] NFE Altamira App. at 5.
[10] 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.
[11] *Id.* § 717b(a); *see* NFE Altamira App. at 2, 7.
[12] NFE Altamira App. at 2, 7; *see also id*. at 5-6, 8-9; *infra* § IV.D (Source of Natural Gas).
[13] *See id.* at 2, 7.
[14] New Fortress Energy Inc., "New Fortress Energy Receives Customs Ruling for Its FLNG Facility" (Jan. 29, 2024), https://ir.newfortressenergy.com/news-releases/news-release-details/new-fortress-energy-receives-customs-ruling-its-flng-facility (stating that "Puerto Rico is a key downstream market for the Company.").

Project, in the future.[15] According to NFE Altamira, the Project will be capable of receiving, processing, and liquefying the U.S.-sourced natural gas and loading the resulting LNG onto ocean-going LNG vessels for delivery to export destinations.[16]

NFE Altamira requests this authorization for a term to commence on the date of first export following the commencement of commercial operation of the Project, and extending through December 31, 2050.[17] Additionally, NFE Altamira requests the authorization on its own behalf and as agent for other entities that may hold title to the natural gas at the time it is exported to Mexico and/or to the U.S.-sourced natural gas at the time it is re-exported as LNG from Mexico.[18]

On March 3, 2023, DOE granted the FTA portion of the Application, as required by NGA section 3(c). Accordingly, under Order No. 4960,[19] NFE Altamira is authorized to export U.S.-sourced natural gas by pipeline from the United States to Mexico and, after liquefaction in Mexico, to re-export the U.S.-sourced natural gas (whether purchased in the United States or Mexico) in the form of LNG by vessel from the Project to FTA countries, in a total volume equivalent to 158 Bcf/yr of natural gas.[20]

[15] *Id*. at 1 & n.5, 6-8; *see also infra* § IV.C (Project Pipelines).
[16] NFE Altamira App. at 5-7.
[17] *Id.* at 2-3, 7. *See also* 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). Additionally, DOE notes that, effective January 12, 2021, long-term export authorizations contain authority to export the same approved volume of LNG pursuant to transactions with terms of less than two years, including commissioning volumes, on a non-additive basis. *See* U.S. Dep't of Energy, Including Short-Term Export Authority in Long-Term Authorizations for the Export of Natural Gas on a Non-Additive Basis; Policy Statement, 86 Fed. Reg. 2,243 (Jan. 12, 2021).
[18] NFE Altamira App. at 2.
[19] *NFE Altamira FLNG, S. de R.L. de C.V.*, DOE/FECM Order No. 4960, Docket No. 22-110-LNG, Order Granting Long-Term Authorization to Export Natural Gas to Mexico and to Other Free Trade Agreement Nations (Mar. 3, 2023).
[20] *Id.* at 11 (Ordering Para. A) (granting FTA authorization through December 31, 2050). As noted above, NFE Altamira commenced its first export under Order No. 4960 on August 9, 2024. *See supra* note 6.

DOE published a notice of the non-FTA portion of the Application in the *Federal Register* on October 6, 2022 (Notice of Application).[21] The Notice of Application called on interested persons to submit protests, motions to intervene, notices of intervention, and comments by December 5, 2022.[22] DOE received a "Motion to Intervene and Protest" opposing the Application filed by Sierra Club.[23] NFE Altamira submitted an "Answer in Opposition to Protest of Sierra Club" on December 20, 2022.[24]

Before reaching a final decision on a non-FTA application under NGA section 3(a), DOE must also comply with the National Environmental Policy Act (NEPA).[25] On June 27, 2023, DOE issued a Notice of Environmental Assessment (Notice of EA).[26] Subsequently, on September 21, 2023, DOE published a Notice of Availability for the Draft Environmental Assessment in the *Federal Register*, commencing a 30-day public comment period that concluded on October 23, 2023.[27] DOE received four comments on the draft Environmental Assessment (Draft EA) from the Texas Commission on Environmental Quality,[28] Sierra Club,[29]

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[21] *See* NFE Altamira FLNG, S. de R.L. de C.V., Application for Long-Term, Multi-Contract Authorization to Export Domestically Produced Natural Gas to Mexico and to Re-Export Liquefied Natural Gas from Mexico to Non-Free Trade Agreement Countries, 87 Fed. Reg. 60,667 (Oct. 6, 2022) [hereinafter Notice of App.].

[22] DOE finds that the requirement for public notice of applications in 10 C.F.R. Part 590 is applicable only to non-FTA applications under NGA section 3(a).

[23] Sierra Club, Motion to Intervene and Protest of NFE Altamira FLNG's Request for Export and Re-Export Authorization, Docket No. 22-110-LNG (Dec. 5, 2022), as supplemented on Dec. 9, 2022 [hereinafter Sierra Club Pleading].

[24] NFE Altamira FLNG, S. de R.L. de C.V., Answer in Opposition to Protest of Sierra Club, Docket No. 22-110-LNG (Dec. 20, 2023) [hereinafter NFE Altamira Answer].

[25] 42 U.S.C. § 4321 *et seq*.

[26] *NFE Altamira FLNG, S. de R.L. de C.V.*, Notice of Environmental Assessment, Docket No. 22-110-LNG (June 27, 2023) [hereinafter Notice of EA].

[27] *See* U.S. Dep't of Energy, Notice of Availability of the Draft Environmental Assessment for the New Fortress Energy Altamira FLNG Project, 88 Fed. Reg. 65,160 (Sept. 21, 2023). *See infra* § VII; *see also* U.S. Dep't of Energy, NFE Altamira FLNG, S. de R.L. de C.V., Draft Environmental Assessment – NFE Altamira FLNG Facility, DOE/EA-2226 (Sept. 2023), https://www.energy.gov/sites/default/files/2023-09/NFE%20Altamira%20FLNG_Draft%20Environmental%20Assessment%20-Final%209.15.23.pdf [hereinafter Draft EA].

[28] Texas Commission on Environmental Quality, TCEQ NEPA Request #2024-008, NFE Altamira FLNG Facility, Docket No. 22-110-LNG (Oct. 16, 2023).

[29] Sierra Club, Comments on the NFE Altamira FLNG's Draft Environmental Assessment for Export and Re-Export Authorization, Docket No. 22-110-LNG (Oct. 23, 2023).

the U.S. Environmental Protection Agency Region 6 Office (EPA),[30] and NFE Altamira.[31] DOE issued the final EA on December 7, 2023 [hereinafter EA],[32] and responded to the comments received as part of the final EA.[33]

DOE has reviewed the non-FTA portion of the Application, the EA, and other evidence discussed below. DOE notes that, while NFE Altamira is already authorized to re-export U.S.-sourced natural gas as LNG (whether purchased in the United States or Mexico) from the Project at its maximum liquefaction capacity to FTA countries, this Order provides NFE Altamira with the flexibility to export this LNG to non-FTA countries too.[34] These re-exports can diversify global LNG supplies and improve energy security for U.S. allies and trading partners. Based on this administrative record, DOE has determined that it has not been shown that NFE Altamira's proposed re-exports of LNG to non-FTA countries will be inconsistent with the public interest over the authorization period described below, as would be required to deny the Application under NGA section 3(a).

Additionally, DOE has reviewed the EA under NEPA and is issuing a Finding of No Significant Impact (FONSI) as Appendix B to this Order. The FONSI incorporates by reference the EA (DOE/EA-2226).[35]

[30] U.S. Environmental Protection Agency Region 6, Comments on the New Fortress Energy Floating LNG Project Draft Environmental Assessment, Docket No. 22-110-LNG (Oct. 23, 2023).
[31] NFE Altamira FLNG, S. de R.L. de C.V., Clarifications and Comments Regarding Draft Environmental Assessment, Docket No. 22-110-LNG (Oct. 23, 2023).
[32] U.S. Dep't of Energy, NFE Altamira FLNG, S. de R.L. de C.V., Environmental Assessment – New Fortress Energy Altamira FLNG Project, DOE/EA-2226 (Dec. 2023), https://www.energy.gov/sites/default/files/2023-12/Final%20Environmental%20Assessment%20-%20NFE%20Altamira%20FLNG_12.12_2023%20With%20errata.pdf [hereinafter EA], *amended by* Errata to Environmental Assessment (DOE/EA-2226) (Dec. 12, 2023).
[33] *See id.* at 28-41 (Appendix B).
[34] *See infra* Appendix A.
[35] *See infra* § VIII.C and Appendix B.

Based on this record, DOE grants the non-FTA portion of the Application in the full volume requested: 145 Bcf/yr of natural gas, or 0.40 Bcf/d.[36] This authorization is subject to the Terms and Conditions and Ordering Paragraphs set forth herein. We note that, although NFE Altamira requests an export term that extends through December 31, 2050,[37] this Order authorizes an export term of five years—beginning on August 31, 2024, and extending through August 30, 2029.[38] When DOE has a more complete record on which to evaluate NFE Altamira's initial request for an export term through 2050, DOE will reevaluate the export term upon NFE Altamira's request to amend this Order filed no sooner than two years from the date of this Order.

This Order brings DOE's cumulative total of approved non-FTA exports of LNG from the lower-48 states to 46.45 Bcf/d of natural gas.[39] This cumulative total includes 6.71 Bcf/d of U.S.-sourced natural gas authorized for re-export in the form of LNG from Mexico and Canada to non-FTA countries.

DOE is continuing to monitor market developments closely as the impact of successive authorizations of LNG exports (and re-exports) unfolds. DOE also acknowledges that proposals to re-export U.S.-sourced natural gas in the form of LNG from Mexico or Canada to non-FTA countries raise public interest considerations that are not present for domestic exports of LNG.

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[36] *See infra* §§ IX-XI.
[37] *See supra* at 3.
[38] *See infra* §§ VIII.B.4, XI (Ordering Para. A).
[39] Final non-FTA orders that were later vacated are not included in this total volume. *See infra* § VIII.E (identifying long-term orders vacated to date). Additionally, DOE has issued one final long-term order authorizing exports of LNG produced from sources from a proposed facility to be constructed in Alaska to non-FTA countries. *See Alaska LNG Project LLC,* DOE/FE Order No. 3643-A, Docket No. 14-96-LNG, Final Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Aug. 20, 2020) (as subsequently amended in DOE/FECM Order No. 3643-C). The Alaska volume is not included in the volumes discussed herein, which involve the export of LNG produced from the lower-48 states. Because there is no natural gas pipeline interconnection between Alaska and the lower-48 states, DOE generally views those LNG export markets as distinct.

In the case of re-exports, the U.S. economy does not receive a significant portion of the benefits DOE has recognized for LNG exported directly from the United States, particularly with respect to the jobs and infrastructure investment associated with construction and operation of liquefaction facilities. Additionally, as noted in the EA, long-term consequences may arise from the fact that foreign infrastructure is not directly subject to U.S. environmental laws.[40] For these reasons, DOE will carefully consider the development of this market segment.[41]

II. BACKGROUND

Most recently, DOE has relied on the following economic and environmental studies to inform its review of applications to export LNG to non-FTA countries under NGA section 3(a):

- DOE's economic study referred to as the 2018 LNG Export Study (or 2018 Study), which DOE commissioned to assess the effects of varying levels of LNG exports from the lower-48 states to non-FTA countries for the time period 2020-2050;[42]
- DOE's environmental study referred to as the Addendum,[43] which was developed in 2014 to inform DOE's public interest evaluation on potential environmental impacts of unconventional natural gas exploration and production activities, including hydraulic fracturing; and
- DOE's environmental studies referred to as the 2014 Life Cycle Greenhouse Gas Report[44] and the 2019 Update,[45] which calculated the life cycle greenhouse gas (GHG)

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[40] *See* EA at 17-18.
[41] *See infra* § VIII.
[42] *See* U.S. Dep't of Energy, Study on Macroeconomic Outcomes of LNG Exports; Notice of Availability of the 2018 LNG Export Study and Request for Comments, 83 Fed. Reg. 27,314 (June 12, 2018); U.S. Dep't of Energy, Study on Macroeconomic Outcomes of LNG Exports; Response to Comments Received on Study, 83 Fed. Reg. 67,251 (Dec. 28, 2018). The 2018 LNG Export Study is the fifth economic study used by DOE in LNG export decisions.
[43] *See* U.S. Dep't of Energy, Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States, 79 Fed. Reg. 48,132 (Aug. 15, 2014); *see also* https://www.energy.gov/fecm/addendum-environmental-review-documents-concerning-exports-natural-gas-united-states (related documents).
[44] *See* U.S. Dep't of Energy, Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States, 79 Fed. Reg. 32,260 (June 4, 2014). DOE announced the availability of this report on its website on May 29, 2014.
[45] *See*, *e.g.*, Nat'l Energy Tech. Lab., *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States: 2019 Update* (DOE/NETL-2019/2041) (Sept. 12, 2019), https://www.energy.gov/sites/prod/files/2019/09/f66/2019%20NETL%20LCA-GHG%20Report.pdf; U.S. Dep't of Energy, Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States; Notice of Availability of Report Entitled Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update and Request for Comments, 84 Fed. Reg. 49,278 (Sept. 19, 2019).

emissions for LNG exported from the United States.

Additionally, in 2020, DOE revised its NEPA procedures that provide for a categorical exclusion if neither an environmental impact statement (EIS) nor an EA is required—specifically, by promulgating a revised categorical exclusion B5.7, *Export of natural gas and associated transportation by marine vessel*.[46] On the basis of data referenced in the accompanying Technical Support Document,[47] DOE concluded that "the transport of natural gas by marine vessels adhering to applicable maritime safety regulations and established shipping methods and safety standards normally does not pose the potential for significant environmental impacts."[48] In light of NFE Altamira's proposed transport of LNG via ocean-going carrier to non-FTA countries, DOE is supplementing the record with the Technical Support Document.

III. PUBLIC INTEREST STANDARD

Section 3(a) of the NGA sets forth the standard of review for the non-FTA portion of the Application:

> [N]o person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the [Secretary of Energy[49]] authorizing it to do so. The [Secretary] shall issue such order upon application, unless after opportunity for hearing, [she] finds that the proposed exportation or importation will not be consistent with the public interest. The [Secretary] may by [the Secretary's] order grant such application, in whole or in part, with such modification and upon such terms and conditions as the [Secretary] may find necessary or appropriate.[50]

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[46] *See* U.S. Dep't of Energy, National Environmental Policy Act Implementing Procedures, Final Rule, 85 Fed. Reg. 78,197 (Dec. 4, 2020) [hereinafter NEPA Implementing Procedures]; *see also* 10 C.F.R. Part 1021, Subpt. D, App. B, Categorical Exclusion B5.7.

[47] *See id.* at 78,198 n.16 (citing U.S. Dep't of Energy, Technical Support Document, Notice of Final Rulemaking, National Environmental Policy Act Implementing Procedures (10 C.F.R. Part 1021) (Nov. 2020)).

[48] *Id.* at 78,200; *see also id.* at 78,202.

[49] The Secretary's authority was established by the Department of Energy Organization Act, 42 U.S.C. § 7151(b), which transferred jurisdiction over import and export authorizations from the Federal Power Commission to the Secretary of Energy; *see also id*. § 7172(f).

[50] 15 U.S.C. § 717b(a).

DOE, as affirmed by the U.S. Court of Appeals for the District of Columbia Circuit, has consistently interpreted NGA section 3(a) as creating a rebuttable presumption that a proposed export of natural gas is in the public interest.[51] Accordingly, DOE will conduct an informal adjudication and grant a non-FTA application unless DOE finds that the proposed exportation will not be consistent with the public interest.[52]

NGA section 3(a) does not define "public interest" or identify criteria that must be considered in evaluating the public interest. In evaluating an export application under this standard, DOE applies the principles described in DOE's 1984 Policy Guidelines[53] and other matters found to be appropriate to make a determination of the public interest, such as the domestic need for the natural gas to be exported. While the Policy Guidelines explicitly discuss only natural gas imports, in 1999 DOE held in Order No. 1473 that the same Policy Guidelines should be applied to natural gas export applications.[54]

Specifically, DOE's review focuses on: (i) the domestic need for the natural gas proposed to be exported, (ii) whether the proposed exports pose a threat to the security of domestic natural gas supplies, (iii) whether the arrangement is consistent with DOE's policy of promoting market competition, and (iv) any other factors bearing on the public interest as determined by DOE, such as international and environmental impacts. To conduct this review,

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[51] *See Sierra Club v. Dep't of Energy*, 867 F.3d 189, 203 (D.C. Cir. 2017) (*Sierra Club I*) ("We have construed [NGA section 3(a)] as containing a 'general presumption favoring [export] authorization.'") (quoting *W. Va. Pub. Serv. Comm'n v. U.S. Dep't of Energy*, 681 F.2d 847, 856 (D.C. Cir. 1982)).

[52] *See id.* ("there must be 'an affirmative showing of inconsistency with the public interest' to deny the application" under NGA section 3(a)) (quoting *Panhandle Producers & Royalty Owners Ass'n v. Econ. Regul. Admin.*, 822 F.2d 1105, 1111 (D.C. Cir. 1987)). As of August 24, 2018, qualifying small-scale exports of natural gas to non-FTA countries are deemed to be consistent with the public interest under NGA section 3(a). *See* 10 C.F.R. §§ 590.102(p), 590.208(a).

[53] U.S. Dep't of Energy, New Policy Guidelines and Delegations Order Relating to Regulation of Imported Natural Gas, 49 Fed. Reg. 6684 (Feb. 22, 1984) [hereinafter 1984 Policy Guidelines].

[54] *Phillips Alaska Natural Gas Corp., et al.*, DOE/FE Order No. 1473, Docket No. 96-99-LNG, Order Extending Authorization to Export Liquefied Natural Gas from Alaska (Apr. 2, 1999), at 14 (citing *Yukon Pac. Corp.*, DOE/FE Order No. 350, Order Granting Authorization to Export Liquefied Natural Gas From Alaska, 1 FE ¶ 70,259, at p. 71,128 (1989)).

DOE looks to record evidence developed in the application proceeding.[55] Before reaching a final decision, DOE must also comply with NEPA.[56]

IV. DESCRIPTION OF REQUEST

As relevant here, NFE Altamira is requesting long-term, multi-contract authorization to re-export U.S.-sourced natural gas (whether purchased in the United States or Mexico) in the form of LNG in a volume equivalent to 145 Bcf/yr of natural gas from the proposed New Fortress Energy Altamira FLNG Project to non-FTA countries.[57]

A. Description of Applicant

NFE Altamira is a Mexican trading company with its principal place of business in Mexico City (Lomas de Chapultepec, Alcaldía Miguel Hidalgo), Mexico. NFE Altamira states that it is an indirect wholly-owned subsidiary of New Fortress Energy Inc. (NFE), which has its principal place of business in New York, New York, and is publicly traded on the NASDAQ.[58] NFE Altamira states that its affiliate, Mexico FLNG, will own the proposed Project and is also an indirect wholly-owned subsidiary of NFE.[59]

B. NFE Altamira FLNG Project

NFE Altamira states that "the proposed Project" (which has now been constructed) will be "operated wholly within Mexico and its territorial waters"[60]—specifically, off the coast of Altamira, Tamaulipas, in the Gulf of Mexico.[61] Other than temporary construction staging areas,

[55] *See also* U.S. Dep't of Energy, Order Denying Petition for Rulemaking on Exports of Liquefied Natural Gas (July 18, 2023), https://www.energy.gov/sites/default/files/2023-07/DOE%20Response%20to%20Sierra%20Club%27s%20Petition%20for%20Rulemaking%207.18.2023%20%28002%29.pdf.
[56] *See Sierra Club I*, 867 F.3d at 192; *see also supra* § I.
[57] NFE Altamira App. at 2; *see also id*. at 7, 27.
[58] *Id.* at 3.
[59] *Id.* at 2, 4.
[60] *Id*. at 19 & n.53 (providing the coordinates of the Project).
[61] *Id*. at 5. NFE Altamira provides a map of the proposed location as Appendix D to the Application.

there will be no onshore facilities associated with the Project.[62]

NFE Altamira states that the Project will be designed using a modular approach.[63] The Project will involve the installation of two nominal 1.4 million metric tons per annum (mtpa) liquefaction systems, known as FLNG1 and FLNG2 (collectively, FLNGs), for a total nominal capacity of 2.8 mtpa of LNG.[64] Each FLNG will contain three platforms consisting of natural gas processing, natural gas liquefaction, and utilities and accommodations. FLNG1 will utilize self-elevating platforms, and FLNG2 (to be located adjacent to FLNG1) will utilize fixed platform structures.[65]

NFE Altamira states that the FLNGs will transfer the LNG produced onto an LNG carrier that will act as a Floating LNG Storage Unit (or FSU).[66] The FLNGs will be connected to the Floating LNG Storage Unit via a flexible, partially submerged, 220-meter cryogenic hose transfer system, which will be positioned approximately 107 meters (350 feet) from the FLNGs. NFE Altamira further states that the LNG will be loaded from the Floating LNG Storage Unit to ocean-going vessels for delivery to export countries.[67] According to NFE Altamira, LNG carriers are expected to call on the Project approximately 40 times annually.[68]

C. Project Pipelines

NFE Altamira states that the Valley Crossing Pipeline, a Texas intrastate pipeline, is the proposed export point for natural gas from the United States.[69] Specifically, NFE Altamira states

[62] NFE Altamira App. at 7.
[63] *Id*. at 5.
[64] *Id.* at 4-5 & n.10. NFE Altamira states that 2.8 mtpa of LNG is equivalent to 145 Bcf/yr of natural gas, the volume of U.S.-sourced natural gas proposed for re-export in the form of LNG. *See id.* at 7.
[65] *See id.* at 5.
[66] *Id.*
[67] *Id.*
[68] NFE Altamira App. at 7. As noted above, NFE Altamira submitted project updates on February 10, 2023, and June 20, 2023, to support the Application. *See* Docket No. 22-110-LNG.
[69] *Id.* at 6.

that the Valley Crossing Pipeline is a border-crossing facility approved by the Federal Energy Regulatory Commission (FERC), which "extend[s] from a point in Texas state waters approximately 30 miles east of the City of Brownsville in Cameron County, Texas, to the international boundary with the State of Tamaulipas, Mexico, in the Gulf of Mexico."[70] NFE Altamira states that the Valley Crossing Pipeline provides service to CFE International (CFE), a subsidiary of the Mexican Comisión Federal de Electricidad, which serves customers in Mexico. CFE currently holds 100% of the firm capacity on the Valley Crossing Pipeline.[71]

According to NFE Altamira, the Valley Crossing Pipeline originates at the Nueces Header pipeline system near Agua Dulce and has connectivity to approximately 10 intrastate and interstate pipelines.[72] NFE Altamira further states that the Valley Crossing Pipeline system has the capacity to deliver up to 2.6 Bcf/d of natural gas—"well in excess of the export quantities proposed herein"—from the Nueces Header to an offshore interconnect at the United States/Mexico international border with the Sur de Texas Tuxpan offshore natural gas pipeline system in Mexico.[73]

NFE Altamira states that, in Mexico, the feed gas will be transported to the Project site via (i) the Sur de Texas Tuxpan pipeline system, and (ii) a pipeline lateral constructed by NFE Altamira's affiliate, Mexico FLNG, that connects the Sur de Texas Tuxpan pipeline system to the Project.[74]

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[70] *Id*. at 6 & n.14 (citing *Valley Crossing Pipeline, LLC*, 161 FERC ¶ 61,084 (2017)).
[71] *Id*.; *see id*. at 9 n.17 (stating that CFE currently holds a blanket authorization, DOE/FECM Order No. 4662, issued on February 11, 2021, in Docket No. 21-16-NG, to import and export natural gas from and to Mexico). On February 16, 2023, DOE issued a new blanket authorization to CFE to import and export natural gas from and to Mexico for a two-year term commencing on May 1, 2023 (after Order No. 4662 expired). *See CFE Int'l LLC*, DOE/FECM Order No. 4959, Docket No. 23-16-NG, Order Granting Blanket Authorization to Import and Export Natural Gas From and To Mexico (Feb. 16, 2023).
[72] NFE Altamira App. at 6 & n.15 (identifying connecting pipeline systems in the U.S. natural gas pipeline grid).
[73] *Id*. at 6.
[74] *Id.* at 7 (stating that "Sur de Texas Tuxpan is owned by a subsidiary of TC Energy and has the capacity to deliver up to 2.6 Bcf/d, which capacity is also held entirely by CFE.").

Additionally, NFE Altamira requests authorization to export natural gas from new or expanded U.S. cross-border pipelines that may be constructed in the future, independent of the Project, and that interconnect with the Sur de Texas Tuxpan offshore pipeline system.[75]

D. Source of Natural Gas

NFE Altamira indicates that it plans to purchase U.S.-sourced natural gas to be delivered to the Project for liquefaction and re-export in two ways. First, NFE Altamira states that it will purchase natural gas in the United States for export to Mexico via the Valley Crossing Pipeline. NFE Altamira states that the Valley Crossing Pipeline, through its many interconnections with the U.S. pipeline grid, provides access to a wide diversity of natural gas supplies produced in the United States at multiple supply hubs.[76]

NFE Altamira states that it "may also purchase U.S.-sourced natural gas in Mexico from third-parties who have exported such gas from the United States, either pursuant to their own export authorizations or under [NFE Altamira's FTA authorization], with [NFE Altamira] acting as agent."[77] DOE addresses this proposed export arrangement in more detail below.[78]

E. Business Model

NFE Altamira requests this authorization on its own behalf and as agent for other entities that will hold title to the LNG at the time of re-export.[79] NFE Altamira states that, when acting as agent, it will register with DOE each LNG title holder for which it seeks to re-export LNG as agent, and will comply with other registration requirements as set forth in recent DOE orders.[80] In particular, NFE Altamira anticipates that, "[t]hrough its affiliates," it "will purchase and

[75] *Id*. at 6, 7-8; *see also id*. at 1 n.5.
[76] *Id*. at 5, 9.
[77] *Id*. at 5-6.
[78] *See infra* § VIII.B.5.
[79] NFE Altamira App. at 2, 8.
[80] *Id.* at 8.

transport natural gas, offload produced LNG into an [Floating LNG Storage Unit], and transload such LNG onto ocean going LNG carriers for distribution to downstream terminals or third-party carriers."[81]

At the time the Application was filed, NFE Altamira stated that it had not yet entered into long-term natural gas supply or LNG export contracts for the requested exports.[82] On April 17, 2023, NFE Altamira submitted to DOE its first executed contract associated with the long-term export of LNG from the Project—a "Long-Term LNG Sale and Delivery Agreement"—by and between NFE Altamira and NFE North Trading, LLC, dated March 16, 2023.[83] NFE Altamira also submitted a long-term natural gas supply contract between NFE Altamira and CFE, dated March 23, 2023.[84]

F. Environmental Review

NFE Altamira states that the Project is subject to environmental review and permitting requirements by Mexican regulatory authorities.[85] NFE Altamira further states that the export point for U.S. natural gas to Mexico, the Valley Crossing Pipeline, was the subject of environmental review by FERC.[86]

We note that, in NFE Altamira's most recent semi-annual report filed with DOE in April 2024, NFE Altamira stated that, "[t]he Project has obtained all required material regulatory permits [under Mexican state and federal laws] for the construction, installation and operation of

[81] *Id*. at 10.
[82] *Id.* at 9.
[83] *See* U.S. Dep't of Energy, NFE Altamira FLNG, S. de R.L. de C.V., Long-Term Contract Information and Registrations at U.S. LNG Export Facilities, Docket No. 22-110-LNG (as of Apr. 20, 2023).
[84] *See id*.
[85] *See* NFE Altamira App. at 18-22. In Appendix E to the Application, NFE Altamira provides additional detail about the Mexican permitting process for the construction and operation of offshore natural gas pipelines, liquefaction, and storage facilities.
[86] *See id*. at 6 n.14, 18.

the Project and for the export of natural gas from FLNG1, the first stage of the Project to be commissioned and placed in-service."[87]

V. APPLICANT'S PUBLIC INTEREST ANALYSIS

A. Overview

NFE Altamira states that NGA section 3(a) creates a presumption that its proposed non-FTA exports are in the public interest, which opponents bear the burden of overcoming.[88] NFE Altamira contends that its proposed exports "should not be found inconsistent with, but rather should be recognized as supportive of, the public interest."[89] In support of this contention, NFE Altamira cites the abundant supply of U.S. natural gas, as well as the global energy security benefits associated with increased trade in U.S. natural gas.[90]

B. Domestic Natural Gas Supply and Demand

NFE Altamira asserts that demand for U.S. natural gas will continue to be outpaced by the growth of available supply.[91] NFE Altamira thus contends that the current and future supply of U.S. natural gas "can easily accommodate [its] proposed exports."[92]

NFE Altamira cites EIA's August 2022 *Short-Term Energy Outlook* (STEO), stating that EIA projects "U.S. dry natural gas production to average 97.1 Bcf/d in August and 96.6 Bcf/d during all of 2022, which would be 3.0 Bcf/d (3%) more than in 2021 [and] … dry natural gas production to average 100.0 Bcf/d in 2023."[93] Citing DOE precedent, NFE Altamira further states that "'EIA's projections in AEO 2022 continue to show market conditions that will

[87] NFE Altamira FLNG, S. de R.L. de C.V., Semi-Annual Report: April 2024, Docket No. 22-110-LNG, at 1 (Apr. 1, 2024), https://www.energy.gov/sites/default/files/2024-04/NFE%20Altamira%20DOE%20April%202024%20Semi-Annual%20Report_date.pdf.
[88] *See* NFE Altamira App. at 11.
[89] *Id*. at 12.
[90] *Id*. at 12, 15-17.
[91] *Id.* at 12-14.
[92] *Id.* at 12.
[93] *Id*. at 13 (citing U.S. Energy Info. Admin., *August 2022 Short-Term Energy Outlook*, at 2 (Aug. 9, 2022), https://www.eia.gov/outlooks/steo/archives/aug22.pdf).

accommodate increased exports of natural gas" and "project[] increases in domestic natural gas production—well in excess of what is required to meet projected increases in domestic consumption.'"[94]

C. Economic Benefits

NFE Altamira contends that exports of LNG will not result in adverse economic impacts to U.S. consumers.[95] In particular, NFE Altamira asserts that DOE's 2018 LNG Export Study demonstrates that the United States will experience net economic benefits from the export of domestically produced LNG, without resulting in significant price impacts to U.S. consumers.[96]

D. International Considerations

NFE Altamira points out that DOE has considered the ability of LNG exports to diversify global LNG supplies.[97] NFE Altamira states that LNG exports from the United States provide "a politically and economically stable source of natural gas supply" thus enhancing energy security for U.S. allies and trading partners.[98] NFE Altamira adds that the proposed re-exports will favorably influence the U.S. balance of trade, resulting in a wealth transfer to the United States.[99]

VI. CURRENT PROCEEDING BEFORE DOE

In response to the Notice of Application, DOE received a "Motion to Intervene and Protest" filed by Sierra Club on December 5, 2022, opposing NFE Altamira's requested non-FTA authorization.[100] On December 20, 2022, NFE Altamira submitted an "Answer in Opposition to Protest of Sierra Club."[101] Both filings are summarized below.

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[94] NFE Altamira App. at 13 (citation omitted).
[95] *Id*. at 13-14.
[96] *See id*. at 14.
[97] *Id.* at 15-16.
[98] *Id*. at 16; *see also id*. at 12.
[99] *Id*. at 15.
[100] Sierra Club subsequently supplemented this filing with two documents that it stated were inadvertently omitted from its filing.
[101] NFE Altamira Answer, Docket No. 22-110-LNG (Dec. 20, 2022).

A. Motion to Intervene and Protest of Sierra Club

In its Motion to Intervene and Protest, Sierra Club states that its "interests are based on the impact the proposed additional exports will have on its members and mission."[102] Specifically, Sierra Club states that it has 6,057 members residing in the Dallas-Fort Worth ozone non-attainment area and 23,334 members in Texas overall.[103] Sierra Club contends that NFE Altamira's proposed exports will harm these members by increasing natural gas production and associated air pollution, including emissions of greenhouse gases and ozone precursors. According to Sierra Club, NFE Altamira's requested authorization will "encourage long-term use of carbon-intensive fossil fuels" and "increase and prolong greenhouse gas emissions, increasing the severity of climate change and … these harms."[104]

In protesting the requested non-FTA authorization, Sierra Club contends that NFE Altamira's proposed exports are not in the public interest and "should be denied or in the alternative, heavily conditioned."[105] First, Sierra Club asserts that NFE Altamira's proposed exports would increase domestic natural gas prices. According to Sierra Club, "exports are increasingly linking domestic [natural] gas prices to prices in the global market," and these alleged price increases "harm American households and energy intensive industry."[106] Sierra Club argues that its members will be affected by increased energy prices, including natural gas and electricity prices resulting from the proposed re-exports.[107] Sierra Club further states that DOE must address distributional aspects of potential natural gas price impacts.[108]

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[102] Sierra Club Pleading at 1-2.
[103] *Id.* at 2.
[104] *Id*. at 3.
[105] *Id*. at 1.
[106] *Id*.
[107] *Id*. at 2.
[108] Sierra Club Pleading at 5-6.

Turning to environmental issues, Sierra Club argues that DOE has failed to consider how exports of U.S. LNG could affect the ability of other countries to achieve emissions reductions that may be needed to limit global warming.[109] Sierra Club contends that DOE should analyze where exports of LNG would ultimately be delivered during the lifetime of an authorization, including analyzing possible competition with various other energy sources.[110] Sierra Club further asserts that LNG exports increase domestic GHG emissions, and that DOE has failed to disclose and analyze upstream GHG emissions, including inducement of increased coal consumption. Sierra Club argues that DOE must analyze the potential effect of LNG exports on both U.S. GHG emission reduction targets[111] and on the ability of "other countries [to] achieve the emissions reductions necessary to limit global warming."[112] Sierra Club also asserts that DOE understates GHG emissions from U.S. natural gas production based on alleged incorrect data used in its life cycle GHG studies.[113]

Addressing international considerations, Sierra Club "agree[s] that there is a public interest in assisting Europe in transitioning away from Russian [natural] gas."[114] However, Sierra Club argues that Europe does not need additional U.S. LNG supplies above what DOE has already approved.[115]

Finally, Sierra Club argues that "if DOE contends that [NFE Altamira's proposed re-exports] are in the public interest because Europe will need the [natural] gas, then DOE should

[109] *Id*. at 8-9.
[110] *Id*. at 10-11.
[111] *Id*. at 12-13.
[112] *Id*. at 9.
[113] *Id*. at 13-14; *see supra* § II.
[114] Sierra Club Pleading at 14.
[115] Sierra Club Pleading at 16 (arguing that "DOE cannot authorize still further exports to meet demand that would be satisfied several times over by existing authorizations, even if DOE concludes that the proposed additional authorization would be a better way to meet that [European] demand").

ensure that the gas goes to Europe."[116] According to Sierra Club, DOE should explore whether to impose conditions to "ensure that the authorization is actually used for that purpose."[117]

B. NFE Altamira's Answer in Opposition to Sierra Club Protest

In its Answer opposing Sierra Club's Protest, NFE Altamira urges DOE to reject Sierra Club's arguments because they are without merit and do not bear on NFE Altamira's Application.[118]

First, NFE Altamira states that DOE should "disregard" Sierra Club's Protest because, in the "Conclusion" section, Sierra Club requests rehearing of an order issued to a different applicant in a different proceeding.[119]

NFE Altamira next argues that Sierra Club's Protest is "rife with contradictions, unfounded conclusions, and requests that range from inapplicable to plainly incoherent."[120] NFE Altamira contends that Sierra Club "portray[s] an inaccurate picture of the current and future economic outlook for natural gas prices,"[121] in alleging that NFE Altamira's Application is not in the public interest. For example, NFE Altamira states that Sierra Club "mischaracterizes the current natural gas price volatility as being solely due to the rise in LNG exports," whereas "several factors have contributed to current natural gas prices, including the global pandemic and resulting supply chain issues, economic contraction, and the Russia-Ukraine conflict in eastern Europe."[122] NFE Altamira also contends that the "global market volatility [] is not reflective of actual supply and demand, nor is it a reasonable projection of future prices or market activity."[123]

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[116] *Id*. at 17.
[117] *Id*.
[118] NFE Altamira Answer at 2, 18.
[119] *Id*. at 3.
[120] *Id*. at 4.
[121] *Id*. at 2.
[122] *Id.* at 5-6.
[123] *Id*. at 6.

NFE Altamira argues that, "while the commodity price of natural gas has increased throughout the world during the COVID-19 pandemic, U.S. domestic natural gas prices are still well below the prices in international markets, and are projected to continue to decline."[124] Citing EIA documents including AEO 2022, NFE Altamira argues that future domestic natural gas supply will continue to outpace demand in the near term and through 2050, and thus EIA's projections support U.S. LNG export levels.[125]

Additionally, NFE Altamira counters that, "[d]espite Sierra Club's contention that few economically benefit from LNG exports, the 2018 LNG Export Study demonstrates widespread economic benefits from LNG exports."[126] For example, quoting a non-FTA authorization issued by DOE, NFE Altamira maintains that "'households will receive labor income when they work and income from capital and resources they own from natural-gas related activities, providing U.S. consumers with additional income to spend on goods and services.'"[127] NFE Altamira argues that, while Sierra Club contends that DOE "must address purported distributional impacts from LNG exports generally," Sierra Club fails to provide any evidence "that the distributional impacts are significant such that granting NFE Altamira's Application would be inconsistent with the public interest."[128]

Next, turning to environmental issues, NFE Altamira maintains that DOE "should only conduct a limited review in preparing an EA," and that Sierra Club has failed to allege any significant environmental impacts resulting from the requested authorization that would warrant the preparation of an EIS.[129] NFE Altamira further asserts that the remainder of Sierra Club's

[124] NFE Altamira Answer at 6.
[125] *Id*. at 6-7.
[126] *Id*. at 8.
[127] *Id.* (citation omitted).
[128] *Id*. at 8-9.
[129] *Id*. at 12.

Protest does not discuss "specific environmental impact" from the proposed re-exports, but rather presents only "generalized arguments" intended to "deride DOE's environmental studies."[130] For these and other reasons set forth in the Answer, NFE Altamira argues that DOE should reject Sierra Club's Protest.

VII. DOE'S ENVIRONMENTAL ASSESSMENT

In the Notice of EA issued on June 27, 2023, DOE identified the following four topics for analysis (which it stated were subject to change): (1) production of U.S.-sourced natural gas, (2) cross-border pipelines, (3) Mexico's environmental review,[131] and (4) GHG emissions associated with re-exporting U.S.-sourced LNG from Mexico.[132] DOE provided the Notice of EA to the cross-border host state of Texas, and to all Indian Tribes on or within 100 kilometers of the U.S. border in that state.[133]

DOE issued the final EA on December 7, 2023.[134] DOE explained that the purpose of the EA was to evaluate the Proposed Action of granting NFE Altamira's requested authorization to re-export U.S.-sourced natural gas in the form of LNG from the proposed New Fortress Energy Altamira FLNG Project to non-FTA countries in a volume of 145 Bcf/yr of natural gas,[135] as well as a No Action Alternative in which the requested authorization would not be granted.[136] DOE provided detailed responses to comments submitted on the Draft EA by Sierra Club, the Texas Commission on Environmental Quality, NFE Altamira, and EPA. In some cases, text was

[130] NFE Altamira Answer at 13; *see generally id*. at 13-17.
[131] DOE stated that this description of Mexico's environmental review process will be included in the EA for completeness, consistent with NFE Altamira's Application. *See supra* § IV.F.
[132] *See* Notice of EA at 6 (citations omitted).
[133] *See id*. at 7 (citing 10 C.F.R. § 1021.301(c)).
[134] *See supra* note 32.
[135] Although the EA refers to the New Fortress Energy Altamira FLNG Project as the "Facility," we are using the "Project" terminology herein for consistency with the Application.
[136] *See* EA at 1-2. The EA stated, however, that even if the Application is not granted, "it is likely that some or all of the demand … that the [Project] is intended to serve would be met by other LNG facilities" due to continued "global demand" for LNG. *Id*. at 7-8.

revised or added to the EA based on comments. Appendix B of the EA provides DOE's responses.[137]

VIII. DISCUSSION AND CONCLUSIONS

In reviewing the non-FTA portion of NFE Altamira's Application, DOE has considered its obligations under NGA section 3(a) and NEPA, as discussed below.

A. Procedural Matters

Sierra Club moves to intervene in this application proceeding and protests NFE Altamira's Application. NFE Altamira opposes the protest filed by Sierra Club but does not oppose Sierra Club's motion to intervene.[138] Therefore, Sierra Club's motion to intervene is deemed granted by operation of law.[139]

B. Non-Environmental Issues

1. NFE Altamira's Application

Upon review of the Application and Sierra Club's arguments in opposition, DOE finds that several factors identified in the Application support a grant of NFE Altamira's authorization under NGA section 3(a) for a five-year term, as set forth below.[140]

First, NFE Altamira asserts that the United States has significant natural gas resources available to meet both projected future domestic needs and demand for the proposed re-exports. We agree. In particular, we find that, over the five-year term of this authorization ending on August 30, 2029, there are likely to be robust domestic supply conditions that are more than adequate to satisfy both domestic needs and exports (or re-exports) of LNG, including those

[137] *See id*. at 28-41 (Appendix B).
[138] *See* NFE Altamira Answer at 1, 18.
[139] *See* 10 C.F.R. § 590.303(g); *infra* § XI (Ordering Para. L).
[140] NFE Altamira challenges Sierra Club's protest in part on the grounds that, in the "Conclusion" section of the filing, Sierra Club refers to a different proceeding. This appears to be a typographical error and does not provide a basis to disregard the protest.

proposed in the Application. Additionally, because the Project is constructed and already exporting to FTA countries**,** expanding its authorization to include non-FTA countries is likely to have very limited impacts on supply over the five-year period.

To evaluate current and future natural gas supply, demand, and prices, we take administrative notice of EIA's recent authoritative projections, set forth in the *Annual Energy Outlook 2023* (AEO 2023), issued on March 16, 2023.[141] EIA's projections in AEO 2023 continue to show market conditions over the five-year authorization period that will accommodate increased exports of natural gas, with increases in domestic natural gas production continuing to exceed what is required to meet projected domestic consumption.[142] EIA further projects that the United States will remain a net exporter through at least 2030. For these reasons, DOE finds that United States consumers will continue to have access to enough natural gas to meet domestic demand from multiple other sources at competitive prices during NFE Altamira's five-year export term, without drawing on the U.S.-sourced natural gas that NFE Altamira seeks to re-export in the form of LNG.

Second, although the benefit of the estimated value of NFE Altamira's approximately $2.0 billion in infrastructure investment would occur in Mexico,[143] we nonetheless find that the

[141] U.S. Energy Info. Admin., *Annual Energy Outlook 2023* (with projections to 2050) (Mar. 16, 2023), https://www.eia.gov/outlooks/aeo/pdf/AEO2023_Narrative.pdf [hereinafter AEO 2023]. DOE is continuing to rely on AEO 2023 following EIA's announcement that it is not publishing an AEO in 2024 to focus on improvements to its National Energy Modeling System. *See* U.S. Energy Info. Admin., "Statement on the *Annual Energy Outlook* and EIA's plan to enhance long-term modeling capabilities," https://www.eia.gov/pressroom/releases/press537.php (July 26, 2023).

[142] *See* AEO 2023 Reference Case, Table 13: Natural Gas Supply, Disposition, and Prices, https://www.eia.gov/outlooks/aeo/data/browser/#/?id=13-AEO2023&cases=ref2023&sourcekey=0.

[143] This estimated value is calculated by multiplying the volume requested in NFE Altamira's Application, 0.40 Bcf/d, by the estimated investment value of a liquefaction plant in the 2018 LNG Export Study of $5 billion per Bcf/d of liquefaction capacity. The actual project cost is likely to be influenced by numerous factors, such as the conditions of the project site, the proximity to pipeline networks, the price of raw materials, and labor costs.

economic benefits from the production and initial sale of the natural gas from U.S. suppliers to NFE Altamira or its offtakers would benefit the United States.

Third, over the term of the authorization, the proposed re-exports of LNG to non-FTA countries will improve the United States' support for its allies. Other benefits of this international trade are discussed below.

2. Pipeline Routes

NFE Altamira has identified Valley Crossing Pipeline as the proposed export point from the United States.[144] Additionally, NFE Altamira asks DOE to issue the requested authorization without imposing physical restrictions on the export points, and without requiring a supplemental authorization, should the opportunity arise, from using any future cross-border natural gas pipelines that may be constructed and interconnected with the Sur de Texas Tuxpan offshore natural gas pipeline system.[145] Upon review, we find that the capacity of the Valley Crossing pipeline system significantly exceeds NFE Altamira's requested volume of 0.40 Bcf/d of natural gas.[146] The Sur de Texas Tuxpan offshore natural gas pipeline system also has the capacity to deliver up to 2.6 Bcf/d of natural gas to the Project.[147] For these reasons, DOE finds that it is not necessary to impose conditions related to pipelines in this Order.

3. Price Impacts

DOE has analyzed price projections in the AEO 2023 Reference case, which projects market conditions in the lower-48 states that include higher natural gas production and increased

[144] NFE Altamira App. at 6; *see also supra* § IV.C.
[145] *See* NFE Altamira App. at 1 n.5, 6, 8 (citing *Energía Costa Azul, S. de R.L. de C.V.,* DOE/FE Order No. 4365, Docket No. 18-145-LNG, Opinion and Order Granting Long-Term Authorization to Re-Export U.S.-Sourced Natural Gas in the Form of Liquefied Natural Gas from Mexico to Non-Free Trade Agreement Countries (ECA Large-Scale Project), at 32-33 (Mar. 29, 2019)).
[146] *See* NFE Altamira App. at 6-7; *see also* EA at 4, 26.
[147] *See* NFE Altamira App. at 7; *see also supra* § IV.C.

LNG exports coupled with lower prices.[148] Additionally, in its May 2023 report, *Issues in Focus: Effects of Liquefied Natural Gas Exports on the U.S. Natural Gas Market*, EIA found that "[t]he resulting variation in natural gas prices in [its analysis] … was narrower than recent in history and [in the] AEO2023, despite a wide variety of U.S. LNG export volumes."[149] We thus find that Sierra Club's arguments concerning domestic price increases are not supported.[150]

4. Energy Security and Benefits of International Trade

We have also considered the international consequences of our decision. As discussed above, we review applications to export (or re-export) LNG to non-FTA countries under section 3(a) of the NGA. The foreign policy and trade impacts to the United States of such exports are factors bearing on that review.

Additionally, an efficient, transparent international market for natural gas with diverse sources of supply provides both economic and strategic benefits to the United States and our allies. For example, in light of the 2022 Russian invasion of Ukraine, there continue to be concerns about energy security for Europe and Central Asia, particularly given the relative share of Russian natural gas supplies into those regions until recently,[151] with continued risk to the remaining volumes of Russian natural gas that supply Europe.[152] By authorizing re-exports of U.S.-sourced LNG to non-FTA countries, including to U.S. allies in Europe and elsewhere, this

[148] *See* AEO 2023 Reference Case, Table 13: Natural Gas Supply, Disposition, and Prices, *supra* note 142.
[149] Energy Info. Admin., AEO 2023 *Issues in Focus: Effects of Liquefied Natural Gas Exports on the U.S. Natural Gas Market* (May 23, 2023), https://www.eia.gov/outlooks/aeo/IIF_LNG/ (Exec. Summary).
[150] *See also* 2018 Study Response to Comments, 83 Fed. Reg. at 67,267-69 (DOE's response to comments on natural gas price impacts).
[151] According to EIA data, until immediately before Russia attacked Ukraine, natural gas imports delivered by pipeline into Europe provided most imported volumes into Europe, with imports sourced from Russia pre-2022 comprising the largest share. *See* U.S. Energy Info. Admin., *Today in Energy* (Feb. 11, 2022), https://www.eia.gov/todayinenergy/detail.php?id=51258.
[152] Reuters reports that the five-year agreement between Moscow and Kyiv for the transit of Russian natural gas to Europe via Ukraine expires in 2024, and Kyiv has stated that it has no intention of extending or developing a new deal. *See* Reuters, *Is it the end for Russian gas supplies to Europe via Ukraine?* (Aug. 12, 2024), https://www.reuters.com/business/energy/is-it-end-russian-gas-supplies-europe-via-ukraine-2024-08-12/.

Order will enable NFE Altamira to help mitigate any acute and immediate energy security concerns with its re-exports.[153] More generally, to the extent U.S. exports diversify global LNG supplies and increase the volumes of destination-flexible LNG available globally, these exports will improve energy security for many U.S. allies and trading partners.[154] We further note that, like all authorizations for the export of natural gas, no re-export will be permitted to a country for which exports are otherwise restricted by U.S. law or policy. For these reasons, we reiterate our finding that authorizing NFE Altamira's re-exports of U.S.-sourced LNG from Mexico will advance the public interest.

DOE also finds, however, that across the globe there is both an unprecedented build-out of carbon-free energy and increased policies to advance clean energy development and implementation by U.S. allies that are expected to slow global natural gas demand in some regions.[155] EIA's *International Energy Outlook* 2023 (IEO 2023) shows that energy security and decarbonization policies in the buildings and industrial sectors of Western Europe will slow natural gas consumption growth, accelerating the use of electricity.[156] Specifically, the use of natural gas for electricity generation in Western Europe is expected to peak in 2030 and decline thereafter.[157] Further, across the IEO 2023 Reference case and Economic Growth cases for Western Europe, the amount of energy consumed per dollar of output declines faster for natural

[153] We note that Europe has been the primary destination of U.S. LNG throughout 2023 and in recent months. In April 2024, for example, more than half of all U.S. LNG exports went to Europe. *See* U.S. Dep't of Energy, *Natural Gas Imports and Exports Monthly*, at 1 (June 2024), https://www.energy.gov/sites/default/files/2024-07/Natural%20Gas%20Imports%20and%20Exports%20Monthly%20April%202024.pdf; *see also* U.S. Energy Info. Admin., *Today in Energy* (Mar. 22, 2023) (noting that 64% of all U.S. LNG exports went to Europe in 2022), https://www.eia.gov/todayinenergy/detail.php?id=55920.

[154] As of May 2024, 20% of U.S. LNG exports have gone to FTA countries, and 80% have gone to non-FTA countries. *See* U.S. Dep't of Energy, *Natural Gas Imports and Exports Monthly*, at 45 (July 2024), https://www.energy.gov/sites/default/files/2024-07/Natural%20Gas%20Imports%20and%20Exports%20Monthly%20May%202024.pdf.

[155] Energy Info. Admin., *International Energy Outlook 2023*, at 21 (Oct. 2023), https://www.eia.gov/outlooks/ieo/pdf/IEO2023_Narrative.pdf.

[156] *Id.*

[157] *Id.*

gas than for electricity in the commercial and industrial sectors.[158]

We take administrative notice of an April 2024 report published by the European Commission's Agency for the Cooperation of Energy Regulators (ACER), *Analysis of the European LNG Market Developments* (ACER Report), that discusses the trend of European countries as well as Japan—principal importers of U.S. LNG and allies of the United States—using less natural gas.[159] The ACER Report concludes that "the [natural] gas consumption trajectory in the EU will have a downward trend due to electrification and decarbonization."[160] EIA also reports that Japan's imports of LNG have peaked.[161] Other forecasts project varying levels of global demand for fossil fuels, including natural gas, to 2050. For example, an April 2024 report by Resources for the Future found that "[t]he wide range of projected fossil fuel demand … highlights the deep uncertainty of the future of the world energy system, with 2050 scenarios spanning 487 [quadrillion British thermal units], roughly equivalent to global consumption of fossil fuels in 2022."[162]

Given the increased commitment to diversify energy sources and the wide uncertainty of global natural gas demand beyond 2030, DOE finds that sufficient information about energy security concerns related to U.S. LNG is currently available only for the short to medium-term. Thus, in the absence of a complete record on which to grant a non-FTA authorization through the year 2050, and recognizing that NFA Altamira has commenced exports under its FTA

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[158] *Id.*
[159] European Union Agency for the Cooperation of Energy Regulators, *Analysis of the European LNG Market Developments*, 2024 Market Monitoring Report (Apr. 19, 2024), https://www.acer.europa.eu/monitoring/MMR/LNG_market_developments_2024 (report may be downloaded).
[160] *See id*.
[161] *See* U.S. Energy Info. Admin., *Today in Energy*, "Nuclear Reactor Restarts in Japan have Reduced LNG Imports for Electricity Generation" (Feb. 8, 2024), https://www.eia.gov/todayinenergy/detail.php?id=61386.
[162] Daniel Raimi, Yuqi Zhu, Richard G. Newell, and Brian C. Prest, *Global Energy Outlook 2024: Peaks or Plateaus?*, Resources for the Future Report 24-06, at 3 (Apr. 2024), https://media.rff.org/documents/Report_24-06.pdf.

authorization, DOE is granting NFE Altamira's non-FTA authorization for a five-year export term, effective immediately.[163] As noted above, two years after the date of this Order, NFE Altamira may apply for an amendment to extend this five-year export term through December 31, 2050, based on the record in existence at that time.[164]

5. Registration Requirements for U.S.-Sourced Natural Gas Purchased in Mexico

NFE Altamira asks DOE for clarification of its registration requirements under two supply options—whether the U.S.-sourced natural gas is purchased (and title acquired) in the United States prior to export, or in Mexico after export from the United States by "upstream suppliers" (under each supplier's own FTA export authorization or under NFE Altamira's FTA authorization, Order No. 4960), with NFE Altamira acting as agent.[165] As previously set forth in NFE Altamira's FTA authorization, DOE has determined that the registration requirements set forth in this Order will apply to NFE Altamira whether the U.S.-sourced natural gas to be liquefied for re-export is purchased (and title acquired) by NFE Altamira either in the United States or in Mexico (pursuant to a different DOE authorization).[166]

With this greater visibility into movements of U.S.-sourced natural gas, DOE will be able to monitor most accurately the volumes of U.S.-sourced natural gas exported to Mexico for re-export in the form of LNG to non-FTA countries.[167]

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[163] *See infra* §§ X.A, XI (Ordering Para. A).
[164] *See supra* at 6.
[165] NFE Altamira App. at 5-6, 8-9.
[166] Registration is only required of the upstream supplier that exports the U.S.-sourced natural gas to Mexico, not of any intermediate seller(s) of the U.S.-sourced natural gas in Mexico. Further, registration is not required for purchases of natural gas produced in Mexico (*i.e.*, where the natural gas is Mexican-sourced, not U.S.-sourced). For more discussion of these registration requirements, *see NFE Altamira FLNG, S. de R.L. de C.V.*, DOE/FECM Order No. 4960, at 9-11.
[167] *See id*. at 10-11.

C. Environmental Issues

In reviewing the potential environmental impacts of NFE Altamira's proposal to re-export U.S.-sourced LNG to non-FTA countries, DOE has considered both its obligations under NEPA and its obligation under NGA section 3(a) to ensure that the proposal is not inconsistent with the public interest.

DOE prepared an EA (DOE/EA-2226) for the requested authorization and is issuing a Finding of No Significant Impact (FONSI) as Appendix B to this Order. The FONSI determines that granting the non-FTA portion of NFE Altamira's Application will not have a significant effect on the human environment. The issuance of the EA and FONSI supports a determination that no further environmental review of the Application is necessary.

D. Other Considerations

DOE notes the continuing uncertainty that all or even most of the proposed LNG export projects will ever be realized because of the time, difficulty, and expense of commercializing, financing, and constructing LNG export terminals, as well as the uncertainties and competition inherent in the global market for LNG.[168]

More generally, DOE continues to subscribe to the principle set forth in our 1984 Policy Guidelines[169] that, under most circumstances, the market is the most efficient means of allocating natural gas supplies. However, agency intervention may be necessary to protect the public in the event there is insufficient domestic natural gas for domestic use, or as a result of other facts or circumstances beyond those presented here.[170] Given these possibilities, DOE recognizes the

[168] *See infra* § VIII.E (identifying long-term orders vacated to date).
[169] 1984 Policy Guidelines, 49 Fed. Reg. 6684.
[170] In previous orders, some commenters asked DOE to clarify the circumstances under which the agency would exercise its authority to revoke (in whole or in part) final LNG export authorizations. DOE stated that it could not precisely identify all the circumstances under which such action might be considered. Subsequently, in 2018, DOE issued a policy statement addressing this issue. *See* U.S. Dep't of Energy, Policy Statement Regarding Long-Term

need to monitor continuously whether this authorization remains in the public interest and to monitor market developments closely as the impact of successive authorizations of LNG exports (and re-exports) unfolds.[171]

E. Conclusion

DOE has reviewed the evidence in the record and relevant precedent in earlier non-FTA export decisions and has not found an adequate basis to conclude that NFE Altamira's proposed re-exports of U.S.-sourced natural gas as LNG from Mexico for delivery to non-FTA countries will be inconsistent with the public interest. Nonetheless, because the record is incomplete, we cannot assess all impacts for the requested export term ending on December 31, 2050, and thus conclude that a five-year export term is appropriate at this time.[172]

With today's issuance of this Order and the vacatur of previous long-term non-FTA export authorizations,[173] there are currently 40 final non-FTA authorizations from the lower-48 states in a cumulative volume of exports totaling 46.45 Bcf/d of natural gas, or approximately 17.0 trillion cubic feet (Tcf) per year, as follows:[174] Sabine Pass Liquefaction, LLC (2.2

Authorizations to Export Natural Gas to Non-Free Trade Agreement Countries, 83 Fed. Reg. 28,841 (June 21, 2018).

[171] *See supra* § VIII.B.1.

[172] *See supra* §§ I, VIII.B.4; *infra* § XI (Ordering Para. A and note 226).

[173] To date, DOE has vacated nine long-term non-FTA authorizations (none over the objection of the authorization holder) in the following proceedings: *Eagle LNG Partners Jacksonville II LLC*, Docket No. 17-79-LNG (Mar. 12, 2023), *Bear Head Energy Inc. (formerly Bear Head LNG Corp.) and Bear Head LNG (USA)*, LLC, Docket No. 15-33-LNG (Jan. 20, 2023); *Jordan Cove Energy Project L.P.*, Docket No. 12-32-LNG (Apr. 22, 2022); *Air Flow N. Am. Corp.*, Docket No. 14-206-LNG (Dec. 30, 2021); *Emera CNG, LLC*, Docket No. 13-157-CNG (Oct. 20, 2021); *Annova LNG Common Infrastructure, LLC*, Docket No. 19-34-LNG (Apr. 23, 2021); *Floridian Natural Gas Storage Co., LLC*, Docket No. 15-38-LNG (Oct. 22, 2020); *Carib Energy (USA) LLC*, Docket No. 11-141-LNG (Nov. 17, 2020); *Flint Hills Res., LP*, Docket No. 15-168-LNG (Feb. 5, 2019).

[174] Any number discrepancies are due to rounding. Additionally, this cumulative volume of non-FTA exports from the lower-48 states does not include export volumes granted pursuant to DOE's regulations for small-scale exports of natural gas. *See* 10 C.F.R. §§ 590.102(p), 208(a); U.S. Dep't of Energy, Office of Fossil Energy and Carbon Management, Long Term Applications Received by DOE to Export Domestically Produced LNG, CNG, CGL from the Lower-48 States, at 14 (as of July 3, 2024), https://www.energy.gov/fecm/articles/summary-lng-export-applications-lower-48-states (identifying small-scale applications and status).

Bcf/d),[175] Cameron LNG, LLC (1.7 Bcf/d),[176] FLEX I (1.4 Bcf/d),[177] FLEX II (0.4 Bcf/d),[178] Cove Point LNG, LP (0.77 Bcf/d),[179] Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC (2.1 Bcf/d),[180] Sabine Pass Liquefaction, LLC Expansion Project (1.38 Bcf/d),[181] American LNG Marketing LLC (0.008 Bcf/d),[182] Pieridae Energy (USA) Ltd. (0.80 Bcf/d),[183] Sabine Pass Liquefaction, LLC Design Increase (0.56 Bcf/d),[184] Cameron LNG, LLC Design Increase (0.42

[175] *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2961-A, Docket No. 10-111-LNG, Final Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Sabine Pass LNG Terminal to Non-Free Trade Agreement Nations (Aug. 7, 2012).
[176] *Cameron LNG, LLC*, DOE/FE Order No. 3391-A, Docket No. 11-162-LNG, Final Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron LNG Terminal in Cameron Parish, Louisiana, to Non-Free Trade Agreement Nations (Sept. 10, 2014).
[177] *Freeport LNG Expansion, L.P.*, *et al.*, DOE/FE Order No. 3282-C, Docket No. 10-161-LNG, Final Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Freeport LNG Terminal on Quintana Island, Texas, to Non-Free Trade Agreement Nations (Nov. 14, 2014) (FLEX I Final Order).
[178] *Freeport LNG Expansion, L.P.*, *et al.*, DOE/FE Order No. 3357-B, Docket No. 11-161-LNG, Final Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Freeport LNG Terminal on Quintana Island, Texas, to Non-Free Trade Agreement Nations (Nov. 14, 2014) (FLEX II Final Order).
[179] *Cove Point LNG, LP*, DOE/FE Order No. 3331-A, Docket No. 11-128-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cove Point LNG Terminal in Calvert County, Maryland, to Non-Free Trade Agreement Nations (May 7, 2015), *reh'g denied,* DOE/FE Order No. 3331-B (Apr. 18, 2016), *amended by* DOE/FE Order No. 3331-C (Aug. 4, 2017), *further amended by* DOE/FE Order No. 3331-D (Dec. 2, 2020).
[180] *Cheniere Mktg., LLC and Corpus Christi Liquefaction, LLC*, DOE/FE Order No. 3638, Docket No. 12-97-LNG, Final Order and Opinion Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Corpus Christi Liquefaction Project to Be Located in Corpus Christi, Texas, to Non-Free Trade Agreement Nations (May 12, 2015).
[181] *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 3669, Docket Nos. 13-30-LNG, 13-42-LNG, & 13-121-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal Located in Cameron Parish, Louisiana, to Non-Free Trade Agreement Nations (June 26, 2015).
[182] *Am. LNG Mktg. LLC*, DOE/FE Order No. 3690, Docket No. 14-209-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas in ISO Containers Loaded at the Proposed Hialeah Facility Near Medley, Florida, and Exported by Vessel to Non-Free Trade Agreement Nations (Aug. 7, 2015).
[183] *Pieridae Energy (USA) Ltd*., DOE/FE Order No. 3768, Docket No. 14-179-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export U.S.-Sourced Natural Gas Natural Gas by Pipeline to Canada for Liquefaction and Re-Export in the Form of Liquefied Natural Gas to Non-Free Trade Agreement Countries (Feb. 5, 2016).
[184] *Sabine Pass Liquefaction, LLC,* DOE/FE Order No. 3792, Docket No. 15-63-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal Located in Cameron Parish, Louisiana, to Non-Free Trade Agreement Nations (Mar. 11, 2016).

Bcf/d),[185] Cameron LNG, LLC Expansion Project (1.41 Bcf/d),[186] Lake Charles Exports, LLC (2.0 Bcf/d),[187] Lake Charles LNG Export Company, LLC,[188] Carib Energy (USA), LLC (0.004),[189] Southern LNG Company, L.L.C. (0.36 Bcf/d),[190] the FLEX Design Increase (0.34 Bcf/d),[191] Golden Pass LNG Terminal LLC (2.57 Bcf/d),[192] Delfin LNG LLC (1.8 Bcf/d),[193] the Lake Charles LNG Export Company, LLC Design Increase (0.33 Bcf/d),[194] the Lake Charles

[185] *Cameron LNG*, *LLC*, DOE/FE Order No. 3797, Docket No. 15-67-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Cameron Terminal Located in Cameron and Calcasieu Parishes, Louisiana, to Non-Free Trade Agreement Nations (Mar. 18, 2016).
[186] *Cameron LNG*, *LLC*, DOE/FE Order No. 3846, Docket No. 15-90-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from Trains 4 and 5 of the Cameron LNG Terminal Located in Cameron and Calcasieu Parishes, Louisiana, to Non-Free Trade Agreement Nations (July 15, 2016).
[187] *Lake Charles Exports, LLC*, DOE/FE Order No. 3324-A, Docket No. 11-59-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Lake Charles Terminal in Calcasieu Parish, Louisiana, to Non-Free Trade Agreement Nations (July 29, 2016).
[188] *Lake Charles LNG Export Co., LLC*, DOE/FE Order No. 3868, Docket No. 13-04-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Lake Charles Terminal in Calcasieu Parish, Louisiana to Non-Free Trade Agreement Nations (July 29, 2016).
[189] *Carib Energy (USA) LLC*, DOE/FE Order No. 3937, Docket No. 16-98-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas in ISO Containers Loaded at Designated Pivotal LNG, Inc. Facilities and Exported by Vessel to Non-Free Trade Agreement Nations in Central America, South America, or the Caribbean (Nov. 28, 2016).
[190] *S. LNG Co., L.L.C.*, DOE/FE Order No. 3956, Docket No. 12-100-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Elba Island Terminal in Chatham County, Georgia, to Non-Free Trade Agreement Nations (Dec. 16, 2016).
[191] *Freeport LNG Expansion, L.P.*, *et al.*, DOE/FE Order No. 3957, Docket No. 16-108-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Freeport LNG Terminal on Quintana Island, Texas, to Non-Free Trade Agreement Nations (Dec. 19, 2016).
[192] *Golden Pass LNG Terminal LLC*, DOE/FE Order No. 3978, Docket No. 12-156-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Golden Pass LNG Terminal Located in Jefferson County, Texas, to Non-Free Trade Agreement Nations (Apr. 25, 2017), *amended by* DOE/FE Order No. 3978-B, Order Granting Request to Transfer Authorizations and Responding to Statement of Change in Control (Mar. 4, 2020) (transferring authorization from Golden Pass Products LLC to Golden Pass LNG Terminal LLC), *further amended by* DOE/FECM Order No. 3978-E (Apr. 27, 2022) (increasing export volume).
[193] *Delfin LNG LLC*, DOE/FE Order No. 4028, Docket No. 13-147-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from a Proposed Floating Liquefaction Project and Deepwater Port 30 Miles Offshore of Louisiana to Non-Free Trade Agreement Nations (June 1, 2017).
[194] *Lake Charles LNG Export Co.*, *LLC*, DOE/FE Order No. 4010, Docket No. 16-109-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Lake Charles Terminal in Lake Charles, Louisiana, to Free Trade Agreement and Non-Free Trade Agreement Nations (June 29, 2017).

Exports, LLC Design Increase,[195] Mexico Pacific Limited LLC (1.7 Bcf/d),[196] Venture Global Calcasieu Pass, LLC (1.7 Bcf/d),[197] ECA Liquefaction, S. de R.L. de C.V. (Mid-Scale Project) (0.44 Bcf/d),[198] Energía Costa Azul, S. de R.L. de C.V. (Large-Scale Project) (1.74 Bcf/d),[199] Port Arthur LNG, LLC (1.91 Bcf/d),[200] Driftwood LNG LLC (3.88 Bcf/d),[201] FLEX4 (0.72 Bcf/d),[202] Gulf LNG Liquefaction Company, LLC (1.53 Bcf/d),[203] Eagle LNG Partners Jacksonville LLC (0.14 Bcf/d),[204] Venture Global Plaquemines LNG, LLC (3.40 Bcf/d),[205] Texas LNG Brownsville LLC (0.56 Bcf/d),[206] Corpus Christi Liquefaction Stage III, LLC (1.59

[195] *Lake Charles Exports*, *LLC*, DOE/FE Order No. 4011, Docket No. 16-110-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Lake Charles Terminal in Lake Charles, Louisiana, to Free Trade Agreement and Non-Free Trade Agreement Nations (June 29, 2017).
[196] *Mexico Pac. Ltd. 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).
[197] *Venture Global Calcasieu Pass, LLC,* DOE/FE Order No. 4346, Docket Nos. 13-69-LNG, 14-88-LNG, 15-25-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Mar. 5, 2019).
[198] *ECA Liquefaction, S. de R.L. de C.V.*, DOE/FE Order No. 4364, Docket No. 18-144-LNG, Opinion and Order Granting Long-Term Authorization to Re-Export U.S-Sourced Natural Gas in the Form of Liquefied Natural Gas from Mexico to Non-Free Trade Agreement Countries (ECA Mid-Scale Project) (Mar. 29, 2019), *amended by* DOE/FE Order No. 4364-A (Oct. 7, 2019) (transferring authorization from Energía Costa Azul, S. de R.L. de C.V. to ECA Liquefaction, S. de R.L. de C.V.).
[199] *Energía Costa Azul, S. de R.L. de C.V.,* DOE/FE Order No. 4365, Docket No. 18-145-LNG, Opinion and Order Granting Long-Term Authorization to Re-Export U.S-Sourced Natural Gas in the Form of Liquefied Natural Gas from Mexico to Non-Free Trade Agreement Countries (ECA Large-Scale Project) (Mar. 29, 2019), *amended by* DOE/FE 4365-A (Dec. 10, 2020), *further amended by* DOE/FECM Order No. 4365-B (Dec. 20, 2022) (increasing export volume).
[200] *Port Arthur LNG, LLC*, DOE/FE Order No. 4372, Docket No. 15-96-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (May 2, 2019).
[201] *Driftwood LNG LLC,* DOE/FE Order No. 4373, Docket No. 16-144-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (May 2, 2019).
[202] *Freeport LNG Expansion, L.P.*, *et al.*, DOE/FE Order No. 4374, Docket No. 18-26-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (May 28, 2019).
[203] *Gulf LNG Liquefaction Co., LLC*, DOE/FE Order No. 4410, Docket No. 12-101-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (July 31, 2019).
[204] *Eagle LNG Partners Jacksonville LLC*, DOE/FE Order No. 4445, Docket No. 16-15-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Oct. 3, 2019).
[205] *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).
[206] *Texas LNG Brownsville LLC*, DOE/FE Order No. 4489, Docket No. 15-62-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Feb. 10, 2020).

Bcf/d),[207] Rio Grande LNG, LLC (3.61 Bcf/d),[208] Epcilon LNG LLC (1.083 Bcf/d),[209] Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC (0.3 Bcf/d),[210] Sabine Pass Liquefaction, LLC (0.42 Bcf/d),[211] Vista Pacifico LNG, S.A.P.I. de C.V. (Mid-Scale Project) (0.55 Bcf/d),[212] FLEX Design Increase (0.24 Bcf/d),[213] and this Order.[214]

We note that the volumes authorized for export in the *Lake Charles Exports* and *Lake Charles LNG Export* orders are both 2.0 Bcf/d and 0.33 Bcf/d, respectively, yet are not additive to one another because the source of LNG approved under all of those orders is the Lake Charles Terminal.[215]

DOE further notes that, to date, the cumulative total of U.S. and Mexico LNG export capacity, using U.S.-sourced natural gas, that is operating or under construction across 12 mid- or large-scale export projects with a non-FTA export authorization from DOE is 26.29 Bcf/d of natural gas.[216]

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[207] *Corpus Christi Liquefaction Stage III, LLC*, DOE/FE Order No. 4490, Docket No. 18-78-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Feb. 10, 2020).
[208] *Rio Grande LNG, LLC*, DOE/FE Order No. 4492, Docket No. 15-190-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Feb. 10, 2020).
[209] *Epcilon LNG LLC*, DOE/FE Order No. 4629, Docket No. 20-31-LNG, Opinion and Order Granting Long-Term Authorization to Export Natural Gas to Mexico for Liquefaction, and to Re-Export U.S. Sourced Natural Gas in the Form of Liquefied Natural Gas from Mexico to Free Trade Agreement and Non-Free Trade Agreement Nations (Dec. 8, 2020).
[210] *Cheniere Mktg., LLC and Corpus Christi Liquefaction, LLC*, DOE/FECM Order No. 4799, Docket No. 19-124-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Mar. 16, 2022).
[211] *Sabine Pass Liquefaction, LLC*, DOE/FECM Order No. 4800, Docket No. 19-125-LNG, Order Granting Long Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Mar. 16, 2022).
[212] *Vista Pacifico LNG, S.A.P.I. de C.V.*, DOE/FECM Order No. 4929, Docket No. 20-153-LNG, Opinion and Order Granting Long-Term Authorization to Re-Export U.S.-Sourced Natural Gas in the Form of Liquefied Natural Gas from Mexico to Non-Free Trade Agreement Nations (Dec. 20, 2022).
[213] *Freeport LNG Expansion, L.P., et al.*, DOE/FECM Order No. 4961, Docket No. 21-98-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Mar. 3, 2023).
[214] *NFE Altamira FLNG, S. de R.L. de C.V.*, DOE/FECM Order No. 5156, Docket No. 22-110-LNG, Order Granting Long-Term Authorization to Re-Export U.S.-Sourced Natural Gas in the Form of Liquefied Natural Gas from Mexico to Non-Free Trade Agreement Nations (Aug. 31, 2024).
[215] *Lake Charles LNG Export Co., LLC*, DOE/FE Order No. 4010, at 55; *see also Lake Charles Exports, LLC*, DOE/FE Order No. 4011, at 54.
[216] U.S. Dep't of Energy, Liquefied Natural Gas (LNG) Exports Snapshot (June 2024), https://www.energy.gov/sites/default/files/2024-06/LNG%20Snapshot%20Jun%2030%2024.pdf.

DOE will continue taking a measured approach in reviewing the other pending applications to export natural gas. Specifically, DOE will continue to assess the cumulative impacts of each succeeding request for export authorization on the public interest with due regard to the effect on domestic natural gas supply and demand fundamentals.

The reasons in support of proceeding cautiously are that: (1) EIA's projections in AEO 2023 are inherently limited in their predictive accuracy, including for the time period that corresponds with the term of this authorization, and (2) the market for natural gas has experienced rapid reversals in the past and is again changing rapidly due to economic, geopolitical, technological, regulatory, and climate change-related developments. The market of the future very likely will not resemble the market of today. In recognition of these factors, DOE intends to monitor developments that could potentially undermine the public interest in grants of successive applications for exports (and re-exports) of domestically produced LNG and to attach terms and conditions to LNG export authorizations to protect the public interest.

IX. FINDINGS

On the basis of the findings and conclusions set forth above, DOE grants the non-FTA portion of NFE Altamira's Application as modified herein, subject to the Terms and Conditions and Ordering Paragraphs set forth below.

X. TERMS AND CONDITIONS

To ensure that the authorization issued by this Order is not inconsistent with the public interest, DOE has attached the following Terms and Conditions to the authorization. NFE Altamira must abide by each Term and Condition or face appropriate sanction.

A. Term of the Authorization

Although NFE Altamira asks for the authorization term to commence on the date of first export following the commencement of commercial operation of the Project, we find that it is

appropriate for this re-export term to begin immediately, upon issuance of this Order, because the Project is currently operating. Thus, DOE will grant NFE Altamira's non-FTA authorization for a five-year term to commence on August 31, 2024, and extending through August 30, 2029.[217]

B. Transfer, Assignment, or Change in Control

DOE's natural gas regulations prohibit authorization holders from transferring or assigning authorizations to import or export natural gas without specific authorization by the Assistant Secretary for Fossil Energy and Carbon Management.[218] DOE has found that this requirement applies to any change in control of the authorization holder. This condition was deemed necessary to ensure that DOE will be given an adequate opportunity to assess the public interest impacts of such a transfer or change.

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.[219] 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.[220]

In this Order, DOE's evaluation of the public interest under NGA section 3(a) includes an evaluation of NFE Altamira's ownership, including that its parent company, New Fortress

[217] *See also supra* §§ I, VIII.B.4; *see infra* at § XI (Ordering Para. A and note 226).
[218] 10 C.F.R. § 590.405.
[219] *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, 65,542 (Nov. 5, 2014) [hereinafter Change in Control Procedures].
[220] *See id*.

Energy Inc., is a U.S. company.[221] Should NFE Altamira's ownership change in the future, including that it is no longer owned by a U.S. company, DOE may evaluate that change in control under the public interest standard as set forth in DOE's Change in Control Procedures.[222]

C. Agency Rights

NFE Altamira requests authorization to re-export U.S.-sourced natural gas in the form of LNG (whether the U.S.-sourced natural gas is purchased in the United States or Mexico) on its own behalf and as agent for other entities that hold title to the LNG at the time of re-export, pursuant to long-term contracts. DOE previously has determined that, in LNG export orders in which Agency Rights have been granted, DOE shall require registration materials filed for, or by, an LNG title-holder (Registrant) to include the same company identification information and long-term contract information of the Registrant as if the Registrant had filed an application to re-export LNG on its own behalf.[223]

To ensure that the public interest is served, this authorization will require that, where NFE Altamira proposes to re-export U.S.-sourced natural gas in the form of LNG as agent for Registrants (whether the U.S.-sourced natural gas is purchased in the United States or Mexico), NFE Altamira must register those entities with DOE in accordance with the procedures and requirements described herein, including in Section VIII.B.5 of this Order.

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[221] *See supra* § IV.A (Description of Applicant).

[222] *See* Change in Control Procedures, 79 Fed. Reg. at 65,542 (stating that, for final non-FTA authorizations, "[i]f one or more protests are submitted, DOE will review any motions to intervene, protests, and answers, and will issue a determination as to whether the proposed change in control has been demonstrated to render the underlying authorization inconsistent with the public interest.").

[223] *See*, *e.g.*, *Cameron LNG, LLC*, DOE/FE Order No. 3846, Docket No. 15-90-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from Trains 4 and 5 of the Cameron LNG Terminal to Non-Free Trade Agreement Nations, at 128-29 (July 15, 2016); *Freeport LNG Expansion, L.P., et al.*, DOE/FE Order No. 2913, Docket No. 10-160-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas from the Freeport LNG Terminal to Free Trade Agreement Nations, at 7-8 (Feb. 10, 2011).

D. Contract Provisions for the Sale or Transfer of U.S.-Sourced Natural Gas in the Form of LNG to be Re-Exported

DOE will require that NFE Altamira file or cause to be filed with DOE any relevant long-term commercial agreements pursuant to which NFE Altamira exports natural gas and/or re-exports LNG on its own behalf or as agent for a Registrant (whether the U.S.-sourced natural gas is purchased in the United States or Mexico). DOE finds that the submission of all such agreements or contracts within 30 days of their execution using the procedures described below will be consistent with the "to the extent practicable" requirement of section 590.202(b).[224]

In addition, DOE finds that section 590.202(c) of DOE's regulations[225] requires that NFE Altamira file, or cause to be filed, all long-term contracts associated with the long-term supply of U.S.-sourced natural gas to the Project, whether signed by NFE Altamira or any Registrant (and whether the U.S.-sourced natural gas is purchased in the United States or Mexico), within 30 days of their execution.

DOE recognizes that some information in NFE Altamira's or a Registrant's long-term commercial agreements associated with the export of U.S.-sourced natural gas and/or the re-export of such natural gas as LNG, and/or long-term contracts associated with the long-term supply of U.S.-sourced natural gas to the Project (whether purchased in the United States or Mexico), may be commercially sensitive. DOE therefore will provide NFE Altamira the option to file or cause to be filed either unredacted contracts, or in the alternative: (A) NFE Altamira may file, or cause to be filed, long-term contracts under seal, but it also will file either: (i) a copy of each long-term contract with commercially sensitive information redacted, or (ii) a summary of all major provisions of the contract(s) including, but not limited to, the parties to

[224] 10 C.F.R. § 590.202(b).
[225] *Id*. § 590.202(c).

each contract, contract term, quantity, any take or pay or equivalent provisions/conditions, destination, re-sale provisions, and other relevant provisions; and (B) the filing must demonstrate why the redacted or non-disclosed information should be exempted from public disclosure.

To ensure that DOE destination and reporting requirements included in this Order are conveyed to subsequent title holders, DOE will include as a condition of this authorization that future contracts for the sale or transfer of LNG re-exported pursuant to this Order shall include an acknowledgement of these requirements.

E. Re-Export Quantity

This Order grants NFE Altamira's Application, such that NFE Altamira is authorized to re-export U.S.-sourced natural gas in the form of LNG to non-FTA countries in the full volume requested, equivalent to 145 Bcf/yr of natural gas.

F. Combined FTA and Non-FTA Export Authorization Volumes

NFE Altamira is currently authorized in DOE/FECM Order No. 4960 to export U.S.-sourced natural gas to Mexico and to re-export the natural gas in the form of LNG to FTA countries in a total volume of 158 Bcf/yr of natural gas. Because the source of LNG for that FTA order and this Order is the New Fortress Energy Altamira FLNG Project, NFE Altamira may not treat the volumes as additive to one another.

XI. ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. NFE Altamira FLNG, S. de R.L. de C.V. (NFE Altamira) is authorized to re-export U.S.-sourced natural gas in the form of LNG (whether the U.S.-sourced natural gas is purchased in the United States or Mexico) by vessel from the proposed New Fortress Energy Altamira FLNG Project (Project), to be located off the coast of Altamira, Tamaulipas, Mexico, in a volume equivalent to 145 Bcf/yr of natural gas. This authorization is effective for a five-year

term to commence on August 31, 2024, and extending through August 30, 2029.[226] NFE Altamira is authorized to re-export this LNG on its own behalf and as agent for other entities that hold title to the natural gas, pursuant to one or more contracts of any duration.[227]

B. NFE Altamira may re-export the U.S.-sourced natural gas in the form of LNG to any country with which the United States does not have a FTA requiring national treatment for trade in natural gas, which currently has or in the future develops the capacity to import LNG, and with which trade in natural gas is not restricted by U.S. law or policy. Willful failure to comply with destination restrictions imposed by DOE will result in rescission of this authorization.

C. NFE Altamira shall ensure that all transactions authorized by this Order are permitted and lawful under U.S. laws and policies, including the rules, regulations, orders, policies, and other determinations of the Office of Foreign Assets Control of the U.S. Department of the Treasury. Failure to comply with these requirements could result in rescission of this authorization and/or other civil or criminal penalties.

D. (i) NFE Altamira shall file, or cause others to file, with the U.S. Department of Energy, Office of Fossil Energy and Carbon Management, Office of Resource Sustainability, Office of Regulation, Analysis, and Engagement (FE-34) a non-redacted copy of all executed long-term contracts associated with the long-term re-export of U.S.-sourced natural gas in the form of LNG from the Project (whether the U.S.-sourced natural gas is purchased in the United States or Mexico) on NFE Altamira's own behalf or as agent for other entities. If NFE Altamira enters an agreement to sell U.S.-sourced natural gas in the form of LNG through an affiliated entity, all long-term contracts entered into by that affiliated entity shall also be subject to the

[226] As noted above, two years after the date of this Order, NFE Altamira may apply for an amendment to extend this five-year export term through December 31, 2050, based on the record in existence at that time. *See supra* at 6.
[227] *See* U.S. Dep't of Energy, Including Short-Term Export Authority in Long-Term Authorizations for the Export of Natural Gas on a Non-Additive Basis; Policy Statement, 86 Fed. Reg. 2243 (Jan. 12, 2021).

requirements of this paragraph. The non-redacted copies must be filed within 30 days of their execution and may be filed under seal, as described above.

(ii) NFE Altamira shall file, or cause others to file, with the Office of Regulation, Analysis, and Engagement a non-redacted copy of all executed long-term contracts associated with the long-term supply of U.S.-sourced natural gas to the Project (whether the U.S.-sourced natural gas is purchased in the United States or Mexico). The non-redacted copies must be filed within 30 days of their execution and may be filed under seal, as described above.

E. NFE Altamira is permitted to use its authorization to re-export U.S.-sourced natural gas in the form of LNG as agent for other LNG title-holders (Registrants) (whether the U.S.-sourced natural gas is purchased in the United States or Mexico), after registering those entities with DOE.[228] Registration materials shall include an acknowledgement and agreement by the Registrant to supply NFE Altamira with all information necessary to permit NFE Altamira to register that person or entity with DOE, including: (1) the Registrant's agreement to comply with this Order and all applicable requirements of DOE's regulations at 10 C.F.R. 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; (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; and (4) within 30 days of execution, a copy of any long-term contracts not previously filed with DOE, described in Ordering Paragraph D of this Order.

[228] *See supra* § VIII.B.5.

Any change in the registration materials—including changes in company name, contact information, length of the long-term contract, termination of the long-term contract, or other relevant modification—shall be filed with DOE within 30 days of such change(s).

F. NFE Altamira, or others for whom NFE Altamira acts as agent, shall include the following provision in any agreement or other contract for the sale or transfer of U.S.-sourced natural gas re-exported in the form of LNG (whether purchased in the United States or Mexico) pursuant to this Order:

> Customer or purchaser acknowledges and agrees that it will resell or transfer U.S.-sourced natural gas, including in the form of LNG, purchased hereunder for delivery to countries identified in Ordering Paragraph B of DOE/FECM Order No. 5156, issued August 31, 2024, in Docket No. 22-110-LNG, and/or to purchasers that have agreed in writing to limit their direct or indirect resale or transfer of the natural gas or LNG to such countries. Customer or purchaser further commits to cause a report to be provided to NFE Altamira FLNG, S. de R.L. de C.V. that identifies the country (or countries) into which the natural gas or re-exported LNG was actually delivered, and to include in any resale contract for such LNG the necessary conditions to ensure that NFE Altamira FLNG, S. de R.L. de C.V. is made aware of all such actual destination countries.

G. Within two weeks after the first re-export authorized in Ordering Paragraph A occurs, NFE Altamira shall provide written notification of the date of first re-export to DOE.

H. NFE Altamira shall file with the Office of Regulation, Analysis, and Engagement, on a semi-annual basis, written reports describing the status of the long-term contracts associated with the long-term re-export of LNG and any long-term supply contracts. The reports shall be filed on or by April 1 and October 1 of each year, and shall include information on the operation of the Project.

I. With respect to any change in control of the authorization holder, NFE Altamira must comply with DOE's Procedures for Change in Control Affecting Applications and

Authorizations to Import or Export Natural Gas.[229]

J. Monthly Reports: With respect to the re-export of U.S.-sourced natural gas as LNG authorized by this Order (whether the U.S.-sourced natural gas is purchased in the United States or Mexico), NFE Altamira shall file with the Office of Regulation, Analysis, and Engagement, within 30 days following the last day of each calendar month, a report on Form FE-746R indicating whether re-exports of this LNG to non-FTA countries have been made. The first monthly report required by this Order is due not later than the 30th day of the month following the month of first re-export. In subsequent months, if re-exports have not occurred, a report of "no activity" for that month must be filed. If re-exports have occurred, the report must provide the information specified for each applicable activity and mode of transportation, as set forth in the Guidelines for Filing Monthly Reports. These Guidelines are available at https://www.energy.gov/fecm/guidelines-filing-monthly-reports.

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

K. All monthly report filings on Form FE-746R shall be made to the Office of Regulation, Analysis, and Engagement according to the methods of submission listed on the Form FE-746R reporting instructions available at https://www.energy.gov/fecm/regulation.

L. The motion to intervene of Sierra Club is deemed granted.

Issued in Washington, D.C., on August 31, 2024.

Brad Crabtree
Assistant Secretary
Office of Fossil Energy and Carbon Management

[229] *See* Change in Control Procedures, 79 Fed. Reg. at 65,541-42.

APPENDIX A: LONG-TERM EXPORT AUTHORIZATIONS ISSUED TO NFE ALTAMIRA FLNG, S. DE R.L. DE C.V.

Docket No. 22-110-LNG

Type of Order	Order No.	Date Issued	Volume (Bcf/yr)
FTA	4960	Mar. 3, 2023	158
Non-FTA	5156	Aug. 31, 2024	145

Notes:

The FTA and non-FTA volumes are not additive.

The smaller non-FTA volume represents a subset of the FTA volume—specifically, the portion of U.S.-sourced natural gas that will be liquefied at the New Fortress Energy Altamira FLNG Project and re-exported in the form of LNG to non-FTA countries.

APPENDIX B: FINDING OF NO SIGNIFICANT IMPACT

FINDING OF NO SIGNIFICANT IMPACT FOR THE APPLICATION OF NFE ALTAMIRA FLNG, S. DE R.L. DE C.V. FOR LONG-TERM AUTHORIZATION TO RE-EXPORT U.S.-SOURCED NATURAL GAS IN THE FORM OF LIQUEFIED NATURAL GAS FROM MEXICO TO NON-FREE TRADE AGREEMENT COUNTRIES

AGENCY: U.S. Department of Energy (DOE), Office of Fossil Energy and Carbon Management (FECM)

ACTION: Finding of No Significant Impact (FONSI)

SUMMARY: Under DOE/FECM Order No. 5156,[230] NFE Altamira FLNG, S. de R.L. de C.V. (NFE Altamira) is authorized to re-export[231] U.S.-sourced natural gas in the form of liquefied natural gas (LNG) by vessel, in a volume equivalent to 145 billion cubic feet (Bcf) per year (Bcf/yr) of natural gas. NFE Altamira is authorized to re-export this U.S.-sourced LNG from the New Fortress Energy Altamira FLNG Project (Project), which has been constructed and is operating off the coast of Altamira, Tamaulipas, Mexico, in the Gulf of Mexico. This LNG may be re-exported 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), under section 3(a) of the NGA.[232]

In an application filed on September 9, 2022 (Application),[233] NFE Altamira states that the then-proposed Project would "involve the installation of two nominal 1.4 MTPA liquefaction systems," each "contain[ing] three platforms consisting of natural gas processing, natural gas liquefaction, and utilities and accommodations."[234] One liquefaction system, FLNG1, will incorporate self-elevating platforms, while FLNG2 (to be located adjacent to FLNG1) will utilize fixed platform structures. NFE Altamira further states that "[b]oth FLNG1 and FLNG2 will transfer the LNG produced onto an LNG Carrier that will act as a Floating LNG Storage Unit ('FSU')."[235]

On June 27, 2023, DOE issued a Notice of Environmental Assessment, in which DOE announced its intention to prepare an environmental assessment (EA) under the National Environmental Policy Act of 1969 (NEPA)[236] to evaluate the potential environmental impacts associated with

[230] *NFE Altamira FLNG, S. de R.L. de C.V.,* DOE/FECM Order No. 5156, Docket No. 22-110-LNG, Order Granting Long-Term Authorization to Re-Export U.S.-Sourced Natural Gas in the Form of Liquefied Natural Gas from Mexico to Non-Free Trade Agreement Nations (Aug. 31, 2024).
[231] For purposes of NFE Altamira's order, "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 (NGA), 15 U.S.C. § 717b, from one foreign country (*i.e.*, a country other than the United States) to another foreign country.
[232] 15 U.S.C. § 717b(a).
[233] NFE Altamira FLNG, S.de R.L. de C.V., Application for Long-Term, Multi-Contract Authorizations to Export Natural Gas to Mexico and to Re-Export Liquefied Natural Gas from Mexico to Free Trade Agreement and Non-Free Trade Agreement Nations, Docket No. 22-110-LNG (Sept. 9, 2022).
[234] *Id*. at 4-5.
[235] *Id.*
[236] 42 U.S.C. § 4321 *et seq.*

NFE Altamira's Application.[237] On September 15, 2023, DOE issued a Draft EA in this proceeding. After publication of a Notice of Availability in the *Federal Register* on September 21, 2023, a public comment period was held, closing on October 23, 2023. On December 7, 2023, pursuant to the regulations of the Council on Environmental Quality (CEQ), DOE issued the final EA (EA) (DOE/EA-2226).[238] The final EA included responses to comments received during the comment period.[239] On December 12, 2023, DOE issued an Errata Notice correcting a drafting error in the final EA.

SUPPLEMENTARY INFORMATION: The purpose and need for DOE's action is to comply with section 3(a) of the NGA, which requires DOE to issue an order granting an application for authority to export natural gas, including U.S.-sourced LNG, to non-FTA countries unless, after opportunity for hearing, DOE finds that the proposed export will not be consistent with the public interest. DOE's decision to grant or deny NFE Altamira's Application is based on a public interest review of the proposed re-exports, which includes completing the environmental review required by NEPA.

Discussion and analysis related to the potential impacts of a grant of NFE Altamira's Application are contained within the EA (DOE/EA-2226), which is incorporated herein by reference. The EA determined that the environmental impacts subject to analysis are limited to those direct and indirect impacts that would occur in the United States and those that affect the global commons. Therefore, DOE did not analyze potential environmental impacts associated with elements of the Project that would occur within the sovereign territory of Mexico or any other country.[240]

Based on the analysis in the areas included in the EA, DOE has concluded that the Proposed Action (re-exports of U.S.-sourced natural gas in the form of LNG in a volume of 145 Bcf/yr from the Project) would not pose the potential for significant environmental impacts, and that a No Action Alternative would not have a currently identifiable environmental advantage over the Proposed Action.

DETERMINATION: On the basis of the EA (DOE/EA-2226), DOE has determined that granting the non-FTA portion of NFE Altamira's Application to re-export 145 Bcf/yr of natural gas as LNG from the Project will not have a significant effect on the human environment. The preparation of an environmental impact statement, therefore, is not required, and DOE is issuing this Finding of No Significant Impact.

The EA and this FONSI are available at DOE's website at https://www.energy.gov/fecm/articles/nfe-altamira-flng-s-de-rl-de-cv-fecm-docket-no-22-110-

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[237] *See NFE Altamira FLNG, S. de R.L. de C.V.*, Notice of Environmental Assessment, Docket No. 22-110-LNG (June 27, 2023).

[238] U.S. Dep't of Energy, NFE Altamira FLNG, S. de R.L. de C.V., Environmental Assessment – NFE Altamira FLNG, S. de R.L. de C.V., NFE Altamira FLNG Facility, DOE/EA-2226 (Dec. 2023), https://www.energy.gov/sites/default/files/2023-12/Final%20Environmental%20Assessment%20-%20NFE%20Altamira%20FLNG_12.12_2023%20With%20errata.pdf [hereinafter EA]; *see also id*. at 27 (Appendix A) (summarizing DOE's process in providing a draft of the EA to affected states and tribes).

[239] *See id*. at 28-41 (Appendix B).

[240] *See id*. at 3-4. Although outside the scope of the EA, DOE summarized Mexico's environmental review process for the public's information. *See id*. at 4-5.

lng. The EA and FONSI are also available at https://www.energy.gov/nepa/nepa-documents.