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April 1, 2022

Ms. Amy Sweeney Director, Division of Analysis and Engagement Office of Regulation, Analysis and Engagement Office of Fossil Energy, United States Department of Energy FE-34 1000 Independence Avenue, SW Washington, DC 20585

## Re: Andalusian Energy, LLC, DOE/FE Dkt. No. 20-73-CNG, DOE/FE Order No. 4616 Statement and Notice of Change in Control

Dear Ms. Sweeney:

Andalusian Energy, LLC ("Andalusian") hereby submits the following statement and notice of change in control with respect to its now-former parent company, NBR Global, LLC (NBR), a Texas-based limited liability company. As outlined below, Andalusian respectfully requests that the U.S. Department of Energy ("DOE") Office of Fossil Energy ("DOE/FE") amend Andalusian's existing authorization to export domestically produced compressed natural gas ("CNG") to countries with which the United States has a free trade agreement requiring the national treatment of natural gas ("FTA Nations").

#### **Background**

Andalusian plans to construct a CNG container and loading facility (the "Facility") within the Port of Brownsville, Texas, and has applied for and received DOE/FE authorization to export CNG from the Facility to FTA Nations, as described below.

On July 1, 2020, Andalusian requested authorization from DOE/FE to export approximately 0.14 billion cubic feet per day ("Bcf/d") of natural gas as CNG to FTA Nations on its own behalf and as an agent for others (DOE/FE Docket No. 20-73-CNG). DOE/FE granted Andalusian's application on November 2, 2020 under DOE/FE Order No. 4616 (the "FTA Authorization").<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Andalusian Energy, LLC, DOE/FE Order No. 4616 (Nov. 2, 2020).

On July 20, 2020, Andalusian filed a petition for declaratory order ("Petition") with the Federal Energy Regulatory Commission (the "Commission"), requesting the Commission find that Andalusian's Facility was not subject to the Commission's jurisdiction under Section 3 or Section 7 of the Natural Gas Act. On February 18, 2021, the Commission unanimously granted Andalusian's Petition.<sup>2</sup>

Under DOE's regulations, an authorization to import or export natural gas may not be transferred or assigned unless authorized by the Assistant Secretary for Fossil Energy or a DOE employee who has been delegated final decisional authority.<sup>3</sup> As a result, DOE has established procedures by which import or export authorization holders must notify the agency of a change in control (the "CIC Procedures").<sup>4</sup> Pursuant to the CIC Procedures, "a rebuttable presumption that control exists will arise from the ownership or the power to vote, directly or indirectly, 10 percent or more of the voting securities of an entity."<sup>5</sup> Entities must file a notice of change in control to DOE/FE before or after the consummation of a change in control, but no later than 30 days after the change has been effectuated.

Pursuant to the CIC Procedures, for FTA authorizations, DOE/FE will give immediate effect to the change in control upon receipt of the notice and take no further action.

### **Description of Relevant Transaction**

Andalusian is a limited liability company organized under the laws of Nevada. At the time that Andalusian filed the above application with DOE/FE, Andalusian was owned by NBR and Nearshore Natural Gas, LLC ("Nearshore"). Effective October 21, 2021, Nearshore acquired one hundred percent (100%) of the voting rights in Andalusian (the "Transaction"). Therefore, Nearshore is now the sole owner of Andalusian. Due to administrative oversight, Andalusian is filing this notice at this time to ensure a complete record with DOE.

#### Statement and Notice of Change in Control

Pursuant to the DOE regulations discussed herein and considering that Nearshore has acquired a ten percent (10%) or greater membership interest in Andalusian and possesses all voting rights for Andalusian, the Transaction does amount to a change in control requiring compliance with the CIC Procedures.

Consistent with the CIC Procedures, Andalusian respectfully requests that DOE/FE give immediate effect to this filing and amend the FTA Authorization issued in DOE/FE Order No. 4616, with no need for further action.

<sup>&</sup>lt;sup>2</sup> Andalusian Energy, LLC, 174 FERC ¶ 61,107 (2021).

<sup>&</sup>lt;sup>3</sup> 10 C.F.R. §§ 590.102(a) and 590.405 (2019).

<sup>&</sup>lt;sup>4</sup> 79 Fed. Reg. 65541, 65542 (Nov. 5, 2014).

<sup>&</sup>lt;sup>5</sup> Id.

Thank you for your attention to this matter. Please contact me with any questions regarding the issues described above.

Best regards,

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David L. Wochner Counsel for Andalusian Energy, LLC