

By Docket Room at Mon 1/23/2023 8:00 AM

UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

| In the Matter of |) | |
|------------------|---|--------------------------|
| |) | FE Docket No. 23 -11-LNG |
| POWER LNG LLC |) | |

APPLICATION OF POWER LNG LLC FOR LONG-TERM AUTHORIZATION TO EXPORT LIQUIFIED NATURAL GAS TO FREE TRADE AGREEMENT COUNTRIES

Pursuant to Section 3 of the Natural Gas Act ("NGA")¹ and Part 590 of the Department of Energy's ("DOE") regulations,² Power LNG LLC ("Power") hereby submits this application ("Application") to the DOE, Office of Fossil Energy and Carbon Management ("DOE/FECM") for long-term, multi-contract authorization to export Liquified Natural Gas ("LNG"). Power seeks this authorization to export the equivalent of approximately 7.0445 billion cubic feet of LNG per annum of domestically produced LNG for a term ending on 12/31/2050. Power will export LNG using Department of Transportation-approved International Organization for Standardization ("ISO") containers via ocean-going carrier from our Newport Galveston facility on Galveston Island with the address of 5700-5920 Harborside Drive, Galveston, TX 77554 to any country with which the United States currently has, or in the future enters into, a free trade agreement ("FTA") requiring national treatment for trade in natural gas. Power requests this authorization both on its behalf and as an agent for others.

¹ 15 U.S.C. § 717b (2018).

² 10 C.F.R. Part 590 (2019).

I. DESCRIPTION OF THE APPLICANT

The exact legal name of the applicant is Power LNG LLC, a Limited Liability Company organized under the laws of Texas. Power is a niche company providing LNG and power generation to clients in regions where diesel and/or propane are the primary source of energy production or where natural gas is the desired source for energy production. Power's principal place of business is 3422 St. Charles Ct., Missouri City, TX 77459.³ Power will engage in the sale of LNG to export markets in the Caribbean, Mexico, and Central and South America.

This application requests authority to export LNG only to countries with which the United States has or in the future enters into an FTA requiring national treatment for trade in natural gas. This application, therefore, is subject to review pursuant to the standards established in the Energy Policy Act of 1992 and pursuant to which Section 3(c) of the NGA requires that applications for authorization to export LNG to FTA countries shall be "deemed to be consistent with the public interest" and "granted without modification or delay."⁴

In support of this Application, Power respectfully states the following:

II. COMMUNICATIONS AND CORRESPONDENCE

Correspondence and communications regarding this Application should be addressed to the following:

Dean M. Wallace, Manager/Co-Founder -- (240) 461-0201 - dwallace@tiptopre.com
Austin Terry, Manager/Co-Founder -- (713) 545-7124 - austin.terry@sourceprojectgroup.com
Power LNG LLC

3422 St. Charles Ct., Missouri City, TX 77459

³ Through their ownership interests in Power, the persons who hold an ownership interest in Power of 50% or more are Dean M. Wallace (50%) and Austin Terry (50%).

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⁴ 15 U.S.C. § 717b(c) (2018).

III. DESCRIPTION OF THE PROPOSED EXPORT FACILITY

Power seeks a long-term, multi-contract authorization to export domestically produced LNG from our Newport Galveston Facility that it will construct, own, and operate. Located on Galveston Island, our Newport Galveston facility is a 55-acre marine and industrial park doing business on the Texas gulf coast for over 40 years. Power has entered into a long-term lease agreement for the 55-acre marine and industrial park located at 5700-5920 Harborside Drive, Galveston, TX 77554 with its management organization, GCC Supply & Trading LLC. This lease agreement shall commence upon authorization to export LNG to FTA countries from DOE/FECM. Evidence of Site Control can be found in Appendix C. The facility is accessible from Interstate 45, ICWW, and the Galveston ship channel as well as private rail. Power plans to construct the LNG facility on approximately 30 acres on our inland site. Power intends to enter into a long-term natural gas supply agreement with the Houston Pipeline System (Energy Transfer). Currently, Energy Transfer has a 12-inch pipeline (T4PERMIT: 00749) directly on our property.

Liquefaction Project: The Facility is anticipated to include a natural gas liquefaction plant with a production capacity of up to approximately 7.0445 billion cubic feet of LNG per annum at 100% capacity, a truck loading facility, a storage area, and dock access. In addition, the Facility will be able to store up to fifty (50) stacked ISO containers for a period of up to one (1) week. Under the current design, the Facility will receive natural gas from the Houston Pipeline System to be liquefied and loaded into ISO containers that will be transported by truck to a nearby loading dock within our Newport Galveston facility and loaded onto and shipped via vessel to various destinations. Power will obtain all requisite regulatory approvals for the facility.

Power will ensure that the containers and carriers used shall comply with all local, state, and federal laws and regulations. In addition, third parties with which Power will be contracting to manage

such transportation will comply with all hazardous material and cryogenic handling requirements and regulations and will be required to obtain any local, state, and federal permits required for the transportation of LNG. Power will obtain all requisite regulatory approvals for the Facility. Power anticipates that the timing for completion of the Facility will be approximately twenty-four (24) months from the date on which Power receives final approval of all regulatory authorizations required to commence construction.

Environmental Review: All equipment that will be used on our project will have an environmental impact between none to minimal. Moreover, approval of this application will not constitute a federal action significantly affecting the human environment within the meaning of the National Environmental Policy Act (NEPA), 42 U.S.C § 4321 et seq. Power further states that the design and specifications of the LNG facility will meet all local, state, and federal environmental permitting requirements and regulations and will be permitted by the appropriate governing agency to the manufacturer.

IV. AUTHORIZATION REQUESTED

Power requests a long-term authorization for a term ending on 12/31/2050 to export up to the equivalent of approximately 7.0445 billion cubic feet of LNG per year of domestically produced LNG for export by ISO container from our Newport Galveston facility on Galveston Island, Texas to any country with which the United States currently has, or in the future enters into, an FTA requiring national treatment for trade in natural gas.

Power requests this authorization both on its behalf and as an agent for others. To ensure all exports are permitted and lawful under United States laws and policies, Power will comply with all DOE requirements for an exporter or agent, including but not limited to, registering with DOE/FECM each LNG

titleholder for whom Power seeks to export LNG and providing the requisite acknowledgments.⁵ While DOE/FECM regulations require applicants to submit information on the terms of such export agreements, as well as long-term natural gas supply agreements,⁶ DOE/FECM has found that an applicant need not submit this information with the original application if no contracts have been executed at such time.⁷ In such instances, DOE/FECM has permitted applicants to submit such information within thirty (30) days of the execution of such contracts, which DOE/FECM has found conforms to the requirement in its regulations that such information is submitted "when practicable." Power requests that DOE/FECM make the same finding in this proceeding and commits that, within thirty (30) days of execution, it will file a copy of such contracts with DOE/FECM, including to the extent required, a confidential, non-redacted version and a publicly available, redacted version or contract summary.

Power also reserves the right to seek from DOE/FECM authorization to export LNG to countries with which the United States does not have a Free Trade Agreement ("Non-FTA countries") at the time such opportunities arise.

V. EXPORT SOURCES

Power seeks authorization to export natural gas available from the Houston Pipeline (HPL) System. A subsidiary of Energy Transfer, the HPL System is an extensive network of intrastate natural gas pipelines, an underground Bammel storage reservoir, and related transportation assets. The system has access to multiple sources of historically significant natural gas supply reserves from South Texas, the Gulf Coast of Texas, East Texas, and the western Gulf of Mexico, and is directly connected to major gas distribution, electric, and industrial load centers in Houston, Corpus Christi, Texas City and other cities located along the Gulf Coast of Texas. The HPL System is well situated to gather and transport gas in many of the major

⁵ See, e.g., Freeport LNG Development, L.P., DOE/FE Order No. 2913 (2011).

⁶ 10 C.F.R. § 590.202(b) (2019).

⁷ See, e.g., Blue Water Fuels, LLC, DOE/FE Order No. 4202 (2018).

⁸ Id.

gas-producing areas in Texas including the strong presence in the key Houston Ship Channel and Katy Hub markets, allowing us to play an important role in the Texas natural gas markets. The HPL System also offers its shippers off-system opportunities due to its numerous interconnections with other pipeline systems, its direct access to multiple market hubs at Katy, the Houston Ship Channel, and Agua Dulce, and our Bammel storage facility. Therefore, through this interconnection, Power will have indirect access to the national natural gas pipeline system, providing Power and its potential customers with a variety of stable and economic supply options.

VI. PUBLIC INTEREST

Pursuant to Section 3(c) of the NGA, applications for authorization to export natural gas, including LNG, to nations with which the United States has in effect an FTA requiring national treatment for trade in natural gas are "deemed to be consistent with the public interest" and must be granted "without modification or delay." In this application, Power requests authorization to export LNG only to countries with which the United States has or in the future enters into an FTA requiring national treatment for trade in natural gas, such that this application falls within the scope of Section 3(c). Power, therefore, respectfully requests that DOE/FECM promptly grant its request for authorization to export LNG to FTA countries consistent with this statutory presumption.

VII. ENVIRONMENTAL IMPACT

In addition to the authorization from DOE/FECM sought in this Application, Power will seek the necessary permits from and consultations with other federal, state, and local agencies to ensure compliance with all environmental laws and regulations.

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⁹ 15 U.S.C. § 717b(c) (2018).

VIII. **APPENDICES**

The following appendices are included with this Application:

Appendix A **Opinion of Counsel**

Appendix B Verification

Appendix C **Evidence of Site Control**

> IX. CONCLUSION

For the reasons set forth above, Power respectfully requests that DOE/FECM issue an order granting Power authorization to export up to approximately 7.0445 billion cubic feet of LNG per annum, to any country with which the United States has, or in the future may have an FTA requiring national treatment for trade in natural gas for a long-term authorization for a period ending on 12/31/2050. Power request this authorization on its behalf and as an agent for others. As demonstrated herein, the requested authorization is consistent with the public interest and should be granted without modification or delay.

Date: January 20, 2023

Respectfully submitted,

/s/ Dean M. Wallace

Dean M. Wallace

Power LNG LLC, Manager/Co-Founder

3422 St. Charles Ct., Missouri City, TX 77459Tel: (240) 461-0201 - dwallace@tiptopre.com

APPENDIX A

OPINION OF COUNSEL

January 19, 2023

Ms. Amy Sweeney
Office Of Fossil Energy and Carbon Management
U.S. Department of Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, DC 20585

Re:

Power LNG LLC

FE Docket No. 23 - - LNG

Application for Long-Term Multi-Contract Authorization to Export Liquified Natural Gas to Free Trade Agreement Countries

Dear Ms. Sweeney:

This opinion of counsel is submitted pursuant to Section 590.202(c) of the regulations of the United States Department of Energy, 10 C.F.R. § 590.202(c) (2019), in connection with the application of Power LNG LLC ("Power") for long-term authorization to export Liquified Natural Gas to Free Trade Agreement countries. I am counsel to Power, a company formed under the laws of Texas. I have reviewed and relied upon the organizational documents of Power, and it is my opinion that the proposed export of natural gas as described in the application filed by Power, to which this Opinion of Counsel is attached as Appendix A, is within the company powers of Power LNG LLC.

Respectfully submitted

Addison Terry

433 Mariana Pointe Ct. Loveland, CO 80537

APPENDIX B

VERIFICATION

UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

| In the Matter of |) | |
|------------------|---|-------------------|
| |) | FE Docket No. TBD |
| POWER LNG LLC |) | |

VERIFICATION

The undersigned, begin duly sworn, states that he is the authorized representative of Power LNG LLC; that he is duly authorized to make this Verification; that he has read the foregoing application and is familiar with the contents therein; that all the statements and matters contained therein are true and correct to the best of his information, knowledge, and belief; and that he is authorized to execute and file this application with the United States Department of Energy.

Dean M. Wallace, PMP Manager/Co-Founder

Power LNG LLC

Sworn to and subscribed to me this 20th day of January 2023.

Notary Public

For the State of Florida

Harley Altman
Notary Public, State Of Florida
Commission No. HH 151679
My Commission Expires: July 11, 2025

APPENDIX C

EVIDENCE OF SITE CONTROL



GCC Supply & Trading LLC 3773 Richmond Avenue, Suite 250 • Houston, Texas 77046 713.999.8051

January 20, 2023

Mr. Dean M. Wallace, PMP Power LNG LLC, Manager/Co-Founder 3422 St. Charles Ct. Missouri City, TX 77459

Subject: Power LNG LLC - Long-term lease agreement

Dear Mr. Wallace:

As evidence of site control, please accept this correspondence as confirmation that Power LNG LLC has entered into a long-term lease option agreement for the 55-acre marine and industrial park located at 5700-5920 Harborside Drive, Galveston, TX 77554. This lease agreement shall commence upon authorization to export LNG to FTA countries from DOE/FECM.

Should you have any questions or need more information, please do not hesitate to contact me.

Best regards,

Kevin Beasley

Kevin Beasley

Director, Natural Gas, Power and ESG | GCC Supply & Trading

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