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January 23, 2023

VIA ELECTRONIC FILING (FERGAS@HQ.DOE.GOV)

U.S. Department of Energy
Office of Fossil Energy and Carbon Management
FE-34 - ROOM 3E-056
1000 Independence Avenue, S.W.
Washington DC 20585
Attention: Amy Sweeney
Director, Division of Natural Gas Regulation
Office of Regulation, Analysis, and Engagement

Re: Mexico Pacific Limited LLC, Docket No. 22-167-LNG

Supplement to Application of Mexico Pacific Limited LLC for Additional Long-Term, Multi-Contract Authorization to Export Natural Gas to Mexico and to Re-export Liquefied Natural Gas to Free Trade Agreement and Non-Free Trade Agreement Nations – Supplemental Information on Available Pipeline Transportation Alternatives

Dear Ms. Sweeney:

I write on behalf of Mexico Pacific Limited LLC ("MPL") to provide supplemental information regarding natural gas pipeline transportation alternatives that MPL expects to be available to support deliveries of U.S.-sourced natural gas to the U.S.-Mexico border for redelivery to the MPL LNG terminal facility to be constructed near Puerto Libertad, Sonora State, Mexico (the "MPL Facility"). This supplement to the application which MPL filed in the captioned proceeding on December 28, 2022 has been prompted by the recent submission of an application to the Federal Energy Regulatory Commission ("FERC") by Saguaro Connector Pipeline, L.L.C.

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("Saguaro") for authorization to site and construct a new border crossing natural gas pipeline.¹ If FERC grants Saguaro the requested authorization and related Presidential Permit, MPL would expect to add the Saguaro pipeline to the several existing pipeline routes over which MPL and its customers may transport natural gas from the United States to Mexico for further delivery to the MPL Facility.

MPL offers the following information on the Saguaro Application in the interest of fully informing the Office of Fossil Energy and Carbon Management ("DOE/FECM") of the potential that additional routes for transporting natural gas may become available to MPL and MPL customers. As MPL stated in its December 28, 2022 application, existing cross-border natural gas transmission pipelines have capacity that is adequate to accommodate exports of natural gas from the U.S. into Mexico and thence to the MPL Facility in the quantities contemplated in that application. But, as MPL has noted in its discussions with representatives of DOE/FECM, MPL anticipates that it will not be limited to exporting natural gas only through those existing crossborder pipelines. MPL expects that it and its customers will utilize any cross-border pipeline or combination of pipelines that are currently operational or may become operational, including the Saguaro pipeline, throughout the requested term of MPL's export authorization (i.e. through December 31, 2050). This, MPL believes, is consistent with DOE/FECM's practice of issuing natural gas export authorizations that do not impose conditions or restrictions on the export points and transportation paths that may be used to accomplish the authorized natural gas exports. MPL understands that, consistent with this practice, DOE/FECM does not and would not require MPL or other natural gas export authorizations holders to seek a supplemental authorization if new or expanded U.S. pipelines become available for the authorization holder's potential use.

MPL notes that DOE/FECM recently reaffirmed that export authorizations to Mexico "do not impose any physical limits on the southbound border-crossing facilities to be used and are not conditioned on the need for a supplemental authorization in the future." As DOE/FECM observed, "the natural gas pipeline trade between the United States and Mexico is robust, such that multiple border-crossing points are currently available for [applicant and] the existing cross-border pipeline capacity between the United States and Mexico far exceeds the volume of natural gas" requested by applicant. MPL would expect DOE/FECM to reach a similar conclusion regarding the export authorization it has granted MPL and the additional export authorization MPL has sought in its December 28 application. MPL notes that the Saguaro pipeline, if authorized, will add more cross-border pipeline capacity to an already robust market.

¹ See Saguaro Connector Pipeline, L.L.C., Application for Authority under Section 3 of the Natural Gas Act and Presidential Permit to Site, Construct, Connect, Operate, and Maintain Facilities for the Exportation of Natural Gas, Docket No. CP23-29-000 (Dec. 20, 20222) ("Saguaro Application"). As detailed in the Saguaro Application, the proposed border crossing pipeline facilities will interconnect with a new approximately 155 mile intrastate pipeline Saguaro is developing in the State of Texas and the existing WesTex intrastate natural gas pipeline at the Waha Hub in Pecos County, Texas. Saguaro hopes to commence service through the proposed border facilities in the second quarter of 2025.

Vista Pacífico LNG S.A.P.I. de C.V., DOE/FECM Order No. 4929 at 57, Docket No. 20-153-LNG (Dec. 20, 2022).
 Id. at 57-58.

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Thus, for the reasons given above, MPL reiterates its request that DOE/FECM authorize it to export quantities of natural gas from the U.S. to Mexico, and to export such natural gas in the form of LNG to FTA countries and to non-FTA countries. MPL also requests that DOE/FECM issue an order without imposing conditions or restrictions on the export points or routes to be used by MPL and its customers, and without requiring a supplemental authorization if new or expanded U.S. pipelines become available for MPL's potential use.

If you have any questions regarding this submission, please contact me at (202) 626-9601. Thank you for your assistance.

Sincerely,

James F. Bowe, Jr.

Counsel for Mexico Pacific Limited LLC

cc: Jennifer Wade, DOE