From:	Wade, Jennifer L.
То:	Tyler Brown; Bernstein, Cassandra (Cass); Sweeney, Amy
Cc:	James Bowe; Krysta De Lima; FERGAS
Subject:	RE: Docket No. 18-70-LNG - Mexico Pacific Limited LLC (MPL) FTA Authorization
Date:	Thursday, May 18, 2023 10:45:40 AM

Hello,

Thank you for requesting confirmation of your understanding of the authorization granted to Mexico Pacific Limited LLC ("MPL") in DOE/FE Order No. 4248 (Docket No. 18-70-LNG) to export U.S.- sourced natural to Mexico and to other free trade agreement (FTA) countries. DOE concurs with the explanation provided in the email below, MPL is not required to commence exports of natural gas to FTA nations by September 19, 2023 in order for MPL's FTA authorization to remain in force, and MPL does not need to apply for an extension to the start date of its FTA term set forth in Order No. 4248-A (Ordering Paragraph B).

Regards, Jennifer

From: Tyler Brown <TRBrown@kslaw.com>
Sent: Thursday, May 18, 2023 9:39 AM
To: Wade, Jennifer L. <jennifer.wade@hq.doe.gov>; Bernstein, Cassandra (Cass)
<cassandra.bernstein@hq.doe.gov>; Sweeney, Amy <amy.sweeney@hq.doe.gov>
Cc: James Bowe <JBowe@KSLAW.com>; Krysta De Lima <kdelima@mexicopacific.com>
Subject: [EXTERNAL] Docket No. 18-70-LNG - Mexico Pacific Limited LLC (MPL) FTA Authorization

This email is in reference to the authorization granted to Mexico Pacific Limited LLC ("MPL") in DOE/FE Order No. 4248 (Docket No. 18-70-LNG) to export U.S.-sourced natural to Mexico and to other free trade agreement (FTA) countries.

In accordance with conversations between counsel for MPL and staff of the DOE Office of Fossil Energy and Carbon Management ("DOE/FECM") and Office of General Counsel on May 12, 2023, MPL requests that DOE/FECM confirm by email to be posted in this Docket that this FTA authorization is **not** conditioned on MPL's commencement of exports of natural gas to FTA nations by September 19, 2023.

The volume authorized in Order No. 4248 is up to the equivalent of 621 Bcf/yr of natural gas for a term beginning on the earlier of the date of first export or five years from the date the authorization is issued (September 19, 2023), and extending through December 31, 2050.

DOE recently explained that "the FTA requirement applies to the date by which an authorization holder's FTA export term must start." *Port Arthur LNG, LLC,* DOE/FECM Order Nos. 3698-C and 4372-B at 3 n.11, Docket Nos. 15-53-LNG, 15-96-LNG, 18-162-LNG (Apr. 21, 2023).

Order No. 4248 sets the start date of the term of MPL's FTA authorization on the earlier of the date of first export or five years from the date the authorization was issued, i.e., September 19, 2023. *See*

Mexico Pacific Limited LLC, DOE/FE Order No. 4248 at Ordering Paragraph (A), Docket No. 18-70-LNG (Sept. 19, 2018). It does not impose a requirement (or date) by which MPL's FTA exports must commence.

The 2022 amendment to MPL's FTA authorization, Order No. 4248-A, granted MPL authorization to export to FTA nations for a term extending through December 31, 2050. *See Mexico Pacific Limited LLC*, DOE/FE Order Nos. 4248-A and 4312-A, Docket No. 18-70-LNG (June 3, 2022). Therefore, MPL's FTA term is currently as follows:

"The volume authorized in this Order is up to the equivalent of 621 Bcf/yr of natural gas for a term beginning on the earlier of the date of first export or five years from the date the authorization is issued (September 19, 2023), and extending through December 31, 2050." (Order No. 4248-A, Ordering Paragraph B)

MPL understands that DOE/FECM interprets Order Nos. 4248, as amended by 4248-A, as **not** imposing a **requirement** that MPL begin export to FTA nations by September 19, 2023. Additionally, in a recent order, DOE/FECM stated that where the applicant has authorization to export to FTA nations through December 31, 2050, "it is no longer necessary to impose a specific date by which the term of the FTA authorization must start." *See, e.g., Port Arthur LNG, LLC*, DOE/FECM Order Nos. 3698-C and 4372-B at 4, Docket Nos. 15-53-LNG, 15-96-LNG, 18-162-LNG (Apr. 21, 2023)

Therefore, MPL requests that DOE/FECM confirm that MPL is not required to commence exports of natural gas to FTA nations by September 19, 2023, in order for MPL's FTA authorization to remain in force, and that MPL does not need to apply for an extension to the start date of its FTA term set forth in Order No. 4248-A (Ordering Paragraph B).

We would appreciate an emailed response from you, to be placed in Docket No. 18-70-LNG, confirming that this interpretation is correct.

Thank you in advance for you attention to this email.

Tyler R Brown Counsel T: +1 404 572 2809 | E: TRBrown@KSLAW.com | Bio | vCard King & Spalding Relation Rela

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