

KING & SPALDING

RECEIVED

By Docket Room at 04/18/2023 4:25 p.m.

King & Spalding LLP
1700 Pennsylvania Ave, NW
Suite 900
Washington, D.C. 20006-4707
Tel: +1 202 737 0500
Fax: +1 202 626 3737
www.kslaw.com

James F. Bowe, Jr.
Partner
Direct Dial: +1 202 626 9601
Direct Fax: +1 202 626 3737
jbowe@kslaw.com

April 18, 2023

DELIVERED VIA COURIER AND EMAIL

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, Office of Regulation, Analysis, and Engagement

Re: ***Mexico Pacific Limited LLC, FE Docket No. 18-70-LNG*** –
Submission of Long-Term LNG Sale Agreements

Dear Ms. Sweeney:

In accordance with DOE/FE Order No. 4248¹ and DOE/FE Order No. 4312, Ordering Paragraph G,² I am hereby submitting on behalf of Mexico Pacific Limited LLC (“MPL”) and Mexico Pacific LNG Exports, S. de R.L. de C.V. (“MPL Exports”), under seal, a non-redacted copy of executed long-term liquefied natural gas (“LNG”) sale agreements associated with the export of LNG from the proposed MPL Facility to be constructed in in the State of Sonora, Mexico. In accordance with DOE/FE Order No. 4312 at Ordering Paragraph G, MPL is filing the following:

- (A) LNG Sale and Purchase Agreement dated June 17, 2022 between Mexico Pacific LNG Markets Pte Ltd. (“MPL Markets” or “Seller”) and Shell Eastern Trading (Pte) Ltd (“Buyer”) (“June 17 SPA”);

¹ *Mexico Pacific Limited LLC*, DOE/FE Order No. 4248 at 10-11 (Sept. 19, 2018).

² *Mexico Pacific Limited LLC*, DOE/FE Order No. 4312 (Dec. 14, 2018) (“DOE/FE Order No. 4312”).

- (B) T2 LNG Sale and Purchase Agreement dated March 16, 2023 between Mexico Pacific LNG Markets Pte Ltd. and Shell Eastern Trading (Pte) Ltd (“T2 LNG SPA”);
- (C) T3 LNG Sale and Purchase Agreement dated March 16, 2023 between Mexico Pacific LNG Markets Pte Ltd. and Shell Eastern Trading (Pte) Ltd (“T3 LNG SPA” and collectively with the June 17 SPA and the T2 LNG SPA, the “Contracts”); and
- (D) A summary of the major provisions of the each of the Contracts (attached as Exhibit 1 hereto).

DOE/FE Order No. 4312 authorizes MPL to export LNG as an agent for others, after such other entities register with the Office of Fossil Energy and Carbon Management (“DOE/FECM”). On April 25, 2022, MPL and MPL Exports filed with DOE/FECM the registration materials required by DOE/FE Order No. 4312 to allow MPL to act as agent for MPL Exports. On April 27, 2022, MPL filed with DOE/FECM a long-term LNG sale and purchase agreement between MPL Exports and MPL Markets (“MPL Exports SPA”). The MPL Exports SPA provides that MPL Exports will sell to MPL Markets the entirety of the LNG from the MPL Facility. The Contracts submitted herein provide for the sale of LNG from MPL Markets to Buyer.

MPL recognizes that it is submitting the June 17 SPA more than thirty (30) days after June 17, 2022, the effective date of the June 17 SPA. Recent execution of several long-term sale and purchase agreements, including the T2 LNG SPA and the T3 LNG SPA, has caused MPL to re-evaluate its prior analysis of filing requirements applicable to the agreements it and its affiliates have executed, and as a consequence MPL has concluded that it should file all long-term sale and purchase agreements previously executed between MPL Exports and third parties. Since the MPL Facility has not yet taken its final investment decision, MPL believes that filing the June 17 SPA at this time will not prejudice any party. Moreover, the delay in making this filing has not deprived DOE/FECM of any information it would otherwise have obtained regarding LNG exports from MPL Facility (since no such exports have yet been made).

The non-redacted Contracts contain highly sensitive and confidential commercial, financial, and proprietary information and the Contracts are being delivered via courier to, and filed with, DOE/FECM under seal on a confidential basis and not for public disclosure, as authorized by Order No. 4312. MPL submits that each of the Contracts meet the six criteria set forth in 10 C.F.R. § 1004.11(f) of DOE’s regulations for determining whether information is exempt from mandatory disclosure pursuant to the Administrative Procedure Act, 5 U.S.C. § 552(b)(4):

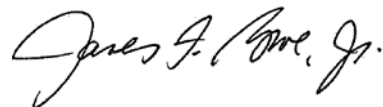
- (1) The Contracts have been held in confidence by MPL and the respective counterparties, and the Contracts contain a confidentiality provision.
- (2) The Contracts contain information of a type that is customarily held in confidence by the parties, and there is a reasonable basis to keep sensitive commercial terms, including but not limited to pricing terms, confidential to avoid competitive harm.

- (3) MPL is submitting the Contracts to DOE/FECM under seal, with a request to keep the Contracts confidential.
- (4) The Contracts are not publicly available.
- (5) Public disclosure of the Contracts by DOE/FECM is likely to cause other export license holders or registrants to be reluctant to submit unredacted copies of their gas supply agreements to DOE/FECM; thus, public disclosure could impair DOE/FECM's ability to obtain similar information from others in the future; and
- (6) Disclosure of the unredacted Contracts is likely to cause substantial harm to the competitive positions of MPL and the counterparties to the Contracts.

For the foregoing reasons, MPL respectfully requests that the non-redacted copies of the Contracts be kept confidential by DOE/FECM.

Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "James F. Bowe, Jr.", written in a cursive style.

James F. Bowe, Jr.
Partner

cc: Krysta De Lima

JFB:
Attachments

EXHIBIT 1

SUMMARY OF MAJOR PROVISIONS

LNG Sale and Purchase Agreement dated June 17, 2022

1. *DOE Order/FE Docket No(s):*
DOE/FE Order Nos. 4248 and 4312
FE Docket No. 18-70-LNG
2. *LNG Liquefaction/Export Facility and Location:*
The MPL Facility is located adjacent to Puerto Libertad, State of Sonora, Mexico.
3. *Describe affiliation with LNG Liquefaction Export Facility (e.g., owner, capacity holder, etc.):*
Mexico Pacific Limited LLC (“MPL”) is the owner of the MPL Facility and Mexico Pacific LNG Exports, S. de R.L. de C.V. (“MPL Exports”) is a wholly-owned subsidiary of MPL. Mexico Pacific LNG Markets Pte Ltd. (“MPL Markets”) is a wholly-owned subsidiary of MPL and party to a long-term LNG sale and purchase agreement with MPL Exports.
4. *Exact Legal Name of Parties/Counterparties to Contract:*
Seller: Mexico Pacific LNG Markets Pte Ltd (“Seller”)
Buyer: Shell Eastern Trading (Ptd) Ltd (“Buyer” or “Customer”)
5. *a. Contract Types (e.g. Purchase and Sale Agreement, Liquefaction Tolling Agreement, etc.):*
LNG sale and purchase agreement.
b. Firm or Interruptible Contract:
Firm
6. *Date of the Contract:*
June 17, 2022
7. *Contract Term:*
Twenty (20) years from the commencement of deliveries date.
8. *Annual Quantity:*
Seller agrees to supply, and Buyer agrees to purchase, approximately 2 mtpa of LNG in the aggregate.
9. *Take or Pay (or equivalent) Provisions/Conditions:*
Yes.
10. *Legal Name of Entity (ies) that has (have) Title to the Natural Gas and LNG through the LNG Facility until Export (at the loading of the ISO container onto a container ship):*

Mexico Pacific LNG Exports, S. de R.L. de C.V.

11. *Export Destination Restrictions in the Contracts:*

Sections 18.1.3 and 18.1.8 of the SPA allows Seller to terminate the SPA if there is a Buyer breach of governmental permits or approvals for LNG or natural gas exports or Buyer's breach of related applicable laws.

12. *Resale Provisions:*

None.

13. *Other Major Non-proprietary Provisions, if Applicable:*

On March 16, 2023, the Parties agreed to divide the Train 1 and Train 2 volumes into two agreements for administrative purposes.

SUMMARY OF MAJOR PROVISIONS
T2 LNG Sale and Purchase Agreement dated March 16, 2023

1. *DOE Order/FE Docket No(s):*
DOE/FE Order Nos. 4248 and 4312
FE Docket No. 18-70-LNG
2. *LNG Liquefaction/Export Facility and Location:*
The MPL Facility is located adjacent to Puerto Libertad, State of Sonora, Mexico.
3. *Describe affiliation with LNG Liquefaction Export Facility (e.g., owner, capacity holder, etc.):*
Mexico Pacific Limited LLC (“MPL”) is the owner of the MPL Facility and Mexico Pacific LNG Exports, S. de R.L. de C.V. (“MPL Exports”) is a wholly-owned subsidiary of MPL. Mexico Pacific LNG Markets Pte Ltd. (“MPL Markets”) is a wholly-owned subsidiary of MPL and party to a long-term LNG sale and purchase agreement with MPL Exports.
4. *Exact Legal Name of Parties/Counterparties to Contract:*
Seller: Mexico Pacific LNG Markets Pte Ltd (“Seller”)
Buyer: Shell Eastern Trading (Ptd) Ltd (“Buyer” or “Customer”)
5. *a. Contract Types (e.g. Purchase and Sale Agreement, Liquefaction Tolling Agreement, etc.):*
LNG sale and purchase agreement.
b. Firm or Interruptible Contract:
Firm
6. *Date of the Contract:*
March 16, 2023
7. *Contract Term:*
Twenty (20) years from the commencement of deliveries date.
8. *Annual Quantity:*
Seller agrees to supply, and Buyer agrees to purchase, approximately 1 mtpa of LNG.
9. *Take or Pay (or equivalent) Provisions/Conditions:*
Yes.
10. *Legal Name of Entity (ies) that has (have) Title to the Natural Gas and LNG through the LNG Facility until Export (at the loading of the ISO container onto a container ship):*
Mexico Pacific LNG Exports, S. de R.L. de C.V.
11. *Export Destination Restrictions in the Contracts:*

The SPA allows Seller to terminate the SPA if there is a Buyer breach of governmental permits or approvals for LNG or natural gas exports or Buyer's breach of related applicable laws.

12. *Resale Provisions:*

None.

13. *Other Major Non-proprietary Provisions, if Applicable:*

None.

SUMMARY OF MAJOR PROVISIONS

T3 LNG Sale and Purchase Agreement dated March 16, 2023

1. *DOE Order/FE Docket No(s):*
DOE/FE Order Nos. 4248 and 4312
FE Docket No. 18-70-LNG
2. *LNG Liquefaction/Export Facility and Location:*
The MPL Facility is located adjacent to Puerto Libertad, State of Sonora, Mexico.
3. *Describe affiliation with LNG Liquefaction Export Facility (e.g., owner, capacity holder, etc.):*
Mexico Pacific Limited LLC (“MPL”) is the owner of the MPL Facility and Mexico Pacific LNG Exports, S. de R.L. de C.V. (“MPL Exports”) is a wholly-owned subsidiary of MPL. Mexico Pacific LNG Markets Pte Ltd. (“MPL Markets”) is a wholly-owned subsidiary of MPL and party to a long-term LNG sale and purchase agreement with MPL Exports.
4. *Exact Legal Name of Parties/Counterparties to Contract:*
Seller: Mexico Pacific LNG Markets Pte Ltd (“Seller”)
Buyer: Shell Eastern Trading (Ptd) Ltd (“Buyer” or “Customer”)
5. *a. Contract Types (e.g. Purchase and Sale Agreement, Liquefaction Tolling Agreement, etc.):*
LNG sale and purchase agreement.
b. Firm or Interruptible Contract:
Firm
6. *Date of the Contract:*
March 16, 2023
7. *Contract Term:*
Twenty (20) years from the commencement of deliveries date.
8. *Annual Quantity:*
Seller agrees to supply, and Buyer agrees to purchase, approximately 1 mtpa of LNG.
9. *Take or Pay (or equivalent) Provisions/Conditions:*
Yes.
10. *Legal Name of Entity (ies) that has (have) Title to the Natural Gas and LNG through the LNG Facility until Export (at the loading of the ISO container onto a container ship):*
Mexico Pacific LNG Exports, S. de R.L. de C.V.

11. *Export Destination Restrictions in the Contracts:*

The SPA allows Seller to terminate the SPA if there is a Buyer breach of governmental permits or approvals for LNG or natural gas exports or Buyer's breach of related applicable laws.

12. *Resale Provisions:*

None.

13. *Other Major Non-proprietary Provisions, if Applicable:*

None.