

United States Senate

WASHINGTON, DC 20510

April 15, 2024

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The Honorable Jennifer Granholm
Secretary
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, DC 20585

Dear Secretary Granholm,

We write to request your appropriate and timely consideration of Delfin LNG LLC's (Delfin) application for an extension of their current approval to export LNG to a non-FTA country (Ref. Docket Nos. 13-129-LNG; 13-147-LNG.). The export authorization under the current Department of Energy (DOE) license is valid until June 1, 2024. According to DOE's policy statement, "Policy Statement on Export Commencement Deadlines in Authorizations to Export Natural Gas to Non-Free Trade Agreement Countries," Delfin LNG LLC must file for an extension within 90 days of June 1, 2024.

As Deputy Secretary David Turk testified last month before the Senate Energy and Natural Resources Committee, DOE does not consider the current moratorium or pause on the issuance of new LNG export licenses to apply to extensions of existing projects. Delfin's Floating LNG Project is the only LNG export project requiring an extension this year, as well as the only offshore Floating LNG (FLNG) project.

Delfin has a very strong case that it has met both criteria for an extension per DOE's policy. Construction of the project has already begun, and there were extenuating circumstances beyond Delfin's control that caused significant delays in the export date, including MARAD's failure to follow the deadlines in the Deepwater Port Act and new NEPA requirements in the Fiscal Responsibility Act. However, should DOE conclude that the start-of-construction criteria has not been met, Delfin requests a conditional extension that allows Delfin nine months to make Final Investment Decision on the project. This conditional extension should alleviate any remaining DOE concerns about the project proving real progress towards actual export capability thereby reducing and helping to eliminate "LNG export authorization overhang."

Delfin's project is also critical to the natural gas needs of our allies. Delfin has already secured long-term contracts with five LNG off-takers for a total revenue stream of \$19 billion. Delfin's single largest customer is Centrica LNG, whose parent company is the largest energy supplier in the United Kingdom. Over 15 years, Centrica LNG committed to purchase one million tonnes per annum of LNG.

By granting this extension and allowing proven and newly deployed technologies the time to fully mature, DOE will both foster innovative FLNG technology and prevent stranded assets. We look forward to your action on this request as soon as possible.

Sincerely,

Bill Cassidy, M.D.

Bill Cassidy, M.D.
United States Senator

Ted Cruz

Ted Cruz
United States Senator