



Department of Energy
Washington, DC 20585

March 29, 2024

Via Email and Certified Mail

Christopher Pope
Associate Director
Fourchon LNG LLC
2223 South 25th Street
Fort Pierce, FL 34986

RE: Notice of Non-Compliance and Planned DOE Action
Docket No. 17-105-LNG

Dear Mr. Pope:

On August 17, 2017, Fourchon LNG LLC (Fourchon LNG) submitted an application (Application)¹ to the Department of Energy's (DOE) Office of Fossil Energy (now the Office of Fossil Energy and Carbon Management)² requesting long-term authorization to export liquefied natural gas (LNG) to free trade agreement (FTA) and non-free trade agreement (non-FTA) countries. Fourchon LNG seeks to export the LNG by vessel from its proposed natural gas liquefaction facility to be located on Port Fourchon at Belle Pass in Lafourche Parish, Louisiana (the Facility).³ On March 11, 2018, DOE granted the FTA portion of the Application in DOE/FE Order No. 4162.⁴ The non-FTA portion of the Application remains pending. We note that, in Fourchon LNG's semi-annual report filed with DOE on September 29, 2023, Fourchon LNG stated that it was "reassess[ing]" its project plans.⁵

DOE takes administrative notice that, on December 20, 2023, the Federal Energy Regulatory Commission (FERC) issued a letter to Fourchon LNG terminating the pre-filing review process

¹ Fourchon LNG LLC, Application for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Free Trade Agreement and Non-Free Trade Agreement Countries, Docket No. 17-105-LNG (Aug. 17, 2017) [hereinafter App.].

² On July 4, 2021, DOE's Office of Fossil Energy (FE) changed its name to the Office of Fossil Energy and Carbon Management (FECM).

³ App. at 1.

⁴ *Fourchon LNG LLC*, DOE/FE Order No. 4162, Docket No. 17-105-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel From the Proposed Fourchon LNG Facility in Lafourche Parish, Louisiana, to Free Trade Agreement Nations (Mar. 11, 2018).

⁵ Fourchon LNG LLC, Docket No. 17-105-LNG, Semi-Annual Progress Report (Order No. 4162), at 2 (Sept. 29, 2023) [hereinafter October 2023 semi-annual report].

for the proposed Facility due to Fourchon LNG's "lack of progress."⁶ FERC stated that, "[a]fter approximately 75 months in pre-filing, Fourchon LNG has still not filed all of its draft Resource Reports," and "has not identified any factors that may be hindering its ability to move forward with the development of the Project."⁷ Thus, due to Fourchon LNG's inaction, FERC is no longer reviewing the proposed LNG project upon which both Fourchon LNG's FTA authorization and the pending non-FTA portion of the Application are based.

On February 16, 2024, FECM staff contacted Fourchon LNG's counsel of record, Mary Anne Sullivan, to inquire about Fourchon LNG's plans for its DOE proceeding, in light of the FERC termination. Ms. Sullivan informed DOE that she has not had recent communications with representatives for Fourchon LNG, and therefore she could not provide any additional information to DOE.

Under DOE's regulations governing LNG export authorizations (including DOE/FE Order No. 4162), Fourchon LNG has a "continuing obligation" to notify DOE of any "prospective or actual changes to the information submitted during the application process upon which the authorization was based," including "the place of entry or exit."⁸ This notification must be made in writing "as soon as practicable."⁹

Additionally, with respect to the pending non-FTA portion of the Application, Fourchon LNG is required to "amend or supplement the application whenever there are changes in material facts or conditions upon which the proposal is based."¹⁰ Notably, in light of DOE's obligation to evaluate the environmental impact of any project to export natural gas, "[t]he application shall be updated as the status of any environmental assessments changes."¹¹

More than three months have passed since FERC terminated Fourchon LNG's pre-filing review of the proposed Facility. Although we understand that Fourchon LNG, based on its October 2023 semi-annual report, is "reassessing" its plans for the Facility, Fourchon LNG nonetheless has failed to notify DOE of FERC's termination notice in violation of the above-referenced regulations. Further, based on the information presented above (including FERC's statements), DOE sees no evidence that Fourchon LNG intends to maintain its FTA authorization or advance the non-FTA portion of its Application.

Accordingly, if Fourchon does not comply with DOE's regulations within **30 days** from the date of this letter (*i.e.*, by April 29, 2024), DOE will issue an order vacating Fourchon LNG's FTA authorization (DOE/FE Order No. 4162) and dismissing the Application without prejudice to Fourchon LNG filing a new application in the future.¹² Although Fourchon LNG may address

⁶ See Letter from Terry Turpin, Director of FERC's Office of Energy Projects, to A. Gregory Junge, Counsel to Fourchon LNG LLC, FERC Docket No. PF17-9-000, at 1 (Dec. 20, 2023), https://elibrary.ferc.gov/eLibrary/docinfo?accession_number=20231220-3035.

⁷ *Id.*

⁸ 10 C.F.R. § 590.407.

⁹ *Id.*

¹⁰ *Id.* § 590.204(a).

¹¹ See *id.* § 590.202(b)(7).

¹² See, e.g., *La. LNG Energy LLC*, DOE/FE Order No. 3482-A, Docket Nos. 14-19-LNG, *et al.*, Order Vacating Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel to Free Trade Agreement

these issues in its semi-annual report due on April 1, 2024, the semi-annual report does not replace, or ensure compliance with, Fourchon LNG's regulatory requirements.

If you wish to set up a call to discuss these matters, please contact me at jennifer.wade@hq.doe.gov.

Sincerely,

Jennifer Wade
Director, Division of Regulation
Office of Resource Sustainability

cc: Mary Anne Sullivan, Hogan Lovells US LLP (via email)

Nations and Dismissing Application to Export Liquefied Natural Gas by Vessel to Non-Free Trade Agreement Nations (July 24, 2017) (actions taken without prejudice following FERC's termination of pre-filing review of Louisiana LNG's proposed facility).