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July 25, 2024

Ms. Amy Sweeney U.S. Department of Energy Office of Fossil Energy and Carbon Management Room 3E-052, FE-34 1000 Independence Avenue, SW Washington, DC 20585

Re: *Verbio North America, LLC,* DOE/FECM Docket No. 24-____-LNG Application for Long-Term and Short-Term Authorization to Make Small Scale Exports of Liquefied Natural Gas to Free Trade and Non-Free Trade Agreement Countries

Dear Ms. Sweeney:

Pursuant to Section 3 of the Natural Gas Act and Part 590 of the regulations of the Department of Energy, Verbio North America, LLC ("Verbio") submits its Application for Long-Term and Short-Term Authorization to Make Small-Scale Exports of Liquefied Natural Gas ("LNG") to Free Trade Agreement ("FTA") and Non-Free Trade Agreement ("Non-FTA") Countries. Specifically, Verbio seeks long-term and short-term multi-contract authorization for itself or as agent to export up to 51.75 Bcf total of LNG per year to any FTA or non-FTA country consistent with the "small-scale natural gas exports" rule codified at 10 C.F.R. §§ 590.208(a) and 590.102(p).

Attached is a Pay.gov payment confirmation for \$50.00 to cover the applicable filing fee pursuant to 10 C.F.R. § 590.207. Please do not hesitate to reach out to the undersigned with any questions regarding this filing.

Very truly yours,

15/Howard L. Nelson

Howard L. Nelson Counsel to Verbio

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Verbio North America, LLC

FECM Docket No. 24-___-LNG

APPLICATION OF VERBIO NORTH AMERICA, LLC FOR LONG-TERM AND SHORT-TERM AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS TO FREE TRADE AGREEMENT AND NON-FREE TRADE AGREEMENT NATIONS

Pursuant to Section 3 of the Natural Gas Act ("NGA"), 15 U.S.C. § 717b, and Part 590 of the regulations of the Department of Energy ("DOE"), 10 C.F.R. § 590, Verbio North America, LLC ("Verbio") submits this application ("Application") to the DOE Office of Office of Fossil Energy and Carbon Management ("DOE/FECMCM"), for long-term and short-term authorization to export on a cumulative basis up to 51.75 billion cubic feet ("Bcf") per year of liquefied natural gas ("LNG") to (1) any country with which the United States currently has, or in the future may enter into, a free trade agreement requiring national treatment for trade in natural gas ("FTA Nations")¹ and (2) any country with which the United States does not have a free trade agreement requiring national treatment for trade is not prohibited by United States law or policy ("Non-FTA Nations").

With respect to its request for authorization to export to Non-FTA Nations, Verbio relies on DOE/FECM's Final Rule amending its regulations to facilitate the authorization of small-

¹ The United States currently has FTAs requiring national treatment for trade in natural gas with Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea and Singapore. FTAs with Costa Rica and Israel do not require national treatment for trade in natural gas.

scale natural gas exports. ("Small-Scale Export Rule").² Verbio requests long-term authorization for a period ending on December 31, 2050, including authorization for short-term transactions of less than two years on a non-additive basis commencing on the earlier of (i) the date of first export or (ii) five (5) years from the date the requested authorizations are granted.³ Verbio plans to make contractual arrangements with LNG facilities and vessels upon receipt of the authorizations requested herein and hopes to commence exports within 90 days of receiving authorization.

This application seeks to further the transition to renewable energy by liquefying renewable natural gas ("RNG") and exporting the LNG to countries that have a demand for natural gas. Verbio's parent, Verbio SE, headquartered in Germany, is one of the leading independent bioenergy manufacturers, and is also the only large-scale producer of biodiesel, bioethanol and biomethane in Europe. Verbio's operations in the North America include the production of renewable natural gas ("RNG") at its production facility in Nevada, Iowa, which is the first industrial scale combined bioethanol and RNG facility in North America using corn and corn stover as its feedstock. These RNG production facilities use bacteria to digest organic waste, including cow or pig manure, crop residue and other industrial waste, into methane gas.

² Small-Scale Natural Gas Exports, 83 Fed. Reg. 35106 (July 25, 2018) (revising 10 C.F.R. § 590.208). DOE's temporary pause in reviewing applications to export LNG to Non-FTA Nations "does not affect other types of applications for imports or exports of natural gas that DOE processes Under Section 3 of the Natural Gas Act, including ... qualifying applications to export LNG filed under the small-scale exports rule." U.S. Dep't of Energy, Office of Fossil Energy and Carbon Mgmt., *The Temporary Pause on Review of Pending Applications to Export Liquefied Natural Gas*, n.1 (Feb. 23, 2024).

³ See Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050, 85 Fed. Reg. 52,237 (Aug. 25, 2020). Policy Statement on Including Short-Term Export Authority in Long-Term Authorizations for the Export of Natural Gas on a Non-Additive Basis, 86 Fed. Reg. 2243 (Jan. 12, 2021).

Verbio also procures RNG from third parties for further trading as part of its overall RNG portfolio.

Verbio plans to inject its RNG from all applicable sources into the integrated natural gas pipeline grid where it will be commingled with other natural gas for transportation to, and liquefaction by, LNG facilities located on the United States Gulf Coast. Verbio intends to purchase and export an equivalent amount of LNG from such facilities primarily to France and Germany, and secondarily to other European countries, Japan, the Republic of Korea, and emerging markets in the Caribbean. While Verbio has not executed any contracts to purchase or export LNG at the current time, Verbio has had discussions with several existing liquefaction facilities interested in supplying LNG to Verbio for exportation.

A list of existing facilities that may be utilized, a brief description of these facilities, and a list of ports from where the LNG may be exported is included in Appendix C. Additional LNG facilities capable of supplying LNG to Verbio for export that have not been licensed but are under discussion are also included in Appendix C. To the extent Verbio seeks to purchase LNG from facilities that are not included on Appendix C or to export from ports not included on this appendix, Verbio will file a notification with DOE/FECM to supplement the appendix. The grant of export authority to Verbio may enable certain small liquefaction facilities to operate without the need to obtain export authorization themselves.⁴

Verbio intends primarily to purchase LNG sourced from liquefaction facilities on the shoreline and load the LNG directly onto ocean-going vessels for delivery to export markets. Alternatively, Verbio may deliver RNG to inland or shoreline liquefaction facilities and purchase and deliver LNG from such facilities in approved ISO containers to ports on the Gulf Coast

⁴ See SpotX Energy, LLC, DOE/FE Order No. 4461 (Nov. 8, 2019).

where the ISO containers will be loaded onto vessels. Verbio, therefore, seeks authorization to utilize both modes of transportation.

Consistent with other LNG export authorizations in recent years, Verbio requests export authority on behalf of itself and as agent for other title holders of LNG, provided that:

a) Verbio shall register each LNG title holder for whom Verbio seeks to export as agent, with such registration including a written statement by the LNG title holder acknowledging and agreeing to comply with all applicable requirements included by DOE/FECM in Verbio's export authorization, and to include those requirements in any subsequent purchase or sale agreement entered into by that title holder; and

b) Consistent with DOE requirements regarding confidentiality, Verbio shall file with DOE/FECM any relevant long-term commercial agreements once they have been executed.

In support of this Application, Verbio respectfully states the following:

I. <u>DESCRIPTION OF APPLICANT</u>

The exact legal name of the applicant is Verbio North America, LLC. Verbio is a limited liability company organized under the laws of the State of Michigan, with its principal place of business in Stamford, Connecticut. Verbio North America, LLC is wholly-owned by Verbio North America Holdings Corporation, which in turn is wholly-owned by Verbio Renewables GmbH. Verbio Renewables GmbH is a wholly-owned subsidiary of Verbio SE. Verbio SE is a German producer of sustainable biofuels and chemical products from plants and animal waste and is publicly listed on the German Frankfurt stock exchange.

II. <u>COMMUNICATIONS</u>

All communications and correspondence regarding this Application should be addressed

to:

Rand DuewekeHoHead of Business Development & Regulatory ComplianceKeVerbio North America, LLCGro9 West Broad Street210Suite 400SuiteStamford, CT 06902WaEmail: rand.dueweke@verbio.usPholegal@verbio.usEm

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III. <u>VERBIO MEETS THE STANDARD FOR EXPORT AUTHORITY TO FTA</u> <u>NATIONS</u>

NGA section 3(c) provides that:

[T]he exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, shall be deemed to be consistent with the public interest, and applications for such importation or exportation shall be granted without modification or delay.⁵

Under this statutory presumption, that portion of this Application that seeks to export

LNG to FTA Nations shall be deemed to be consistent with the public interest. As required by

the NGA, DOE/FECM should grant such authorization without modification or delay. Indeed,

DOE/FECM promptly grants authorizations, as it should do here, for export to FTA nations as a

matter of statutory requirement.⁶

⁵ 15 U.S.C. § 717b(c) (2006).

⁶ See, e.g., Alaska LNG Project LLC, Order No. 3554; Magnolia LNG, LLC, DOE/FE Order No. 3406 (Mar. 5, 2014); Annova LNG, LLC, DOE/FE Order No. 3394 (Feb. 20, 2014); Delfin LNG LLC, DOE/FE Order No. 3393 (Feb. 20, 2014); ConocoPhillips Alaska Natural Gas Corporation, DOE/FE Order No. 3392 (Feb. 19, 2014); Sabine Pass Liquefaction, LLC, DOE/FE Order No. 3384 (Jan. 22, 2014); Barca LNG LLC, DOE/FE Order No. 3365 (Nov. 26, 2013).

IV. <u>VERBIO MEETS THE STANDARD FOR EXPORT AUTHORITY TO NON-FTA</u> <u>NATIONS</u>

NGA section 3(a) sets forth the general standard of review for export applications:

[N]o person shall export any natural gas from the United States to a foreign country or import any natural gas from a foreign country without first having secured an order of the [Secretary of Energy] authorizing it to do so. The [Secretary] shall issue such order upon application, unless, after opportunity for hearing, [the Secretary] finds that the proposed exportation or importation will not be consistent with the public interest. The [Secretary] may by [the Secretary's] order grant such application, in whole or in part, with such modification and upon such terms and conditions as the [Secretary] may find necessary or appropriate.⁷

According to DOE/FECM, "[a]pplying the foregoing statutory language, DOE has

consistently ruled that Section 3(a) of the NGA creates a rebuttable presumption that proposed exports of natural gas are in the public interest."⁸ Accordingly, DOE/FECM "must grant such an application unless opponents of the application overcome that presumption by making an affirmative showing of inconsistency with the public interest."⁹

In evaluating the "public interest" DOE/FECM "has identified a range of factors that it evaluates when reviewing an application for export authorization."¹⁰ The factors include "economic impacts, international impacts, security of natural gas supply, and environmental

⁷ 15 U.S.C. § 717b(a) (2006) (emphasis added). This authority has been delegated to the Assistant Secretary for Fossil Energy pursuant to Redelegation Order No. 00-002.04D (Nov. 6, 2007).

⁸ Sabine Pass Liquefaction, LLC, DOE/FE Docket 10-111-LNG, Opinion and Order Denying Request for Review Under Section 3(c) of the NGA (Oct. 21, 2010); See also Panhandle Producers and Royalty Owners Assoc. v. ERA, 822 F.2d 1105, 1111 (D.C. Cir. 1987) ("A presumption favoring import authorization, then, is completely consistent with, if not mandated by, the statutory directive.").

⁹ Jordan Cove Energy System, L.P., DOE/FE Order No. 3413 at 6 (Mar. 24, 2014); Cameron LNG, LLC, DOE/FE Order No. 3391 at 6 (Feb. 11, 2014); FLNG Liquefaction, LLC, FLNG Liquefaction 2, LLC and FLNG Liquefaction 3, LLC, DOE/FE Order No. 3357 at 8 (Nov. 15, 2013); Dominion Cove Point LNG, LP, DOE/FE Order No. 3331 at 7 (Sept. 11, 2013); Lake Charles Exports, LLC, DOE/FE Order No. 3324 at 6-7 (Aug. 7, 2013); Freeport LNG Expansion, L.P., Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC, DOE/FE Order No. 3282 at 6 (May 17, 2013).

¹⁰ Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC, DOE/FE Order No. 3282 at 6 (May 17, 2013).

impacts, among others."¹¹ DOE/FECM also applies the principles set forth in its *Policy Guidelines and Delegation Orders Relating to the Regulation of Imported Natural Gas*, which are intended to promote free and open trade by minimizing federal government interference.¹² Under the Policy Guidelines:

"The market, not government, should determine the price and other contract terms of imported [or exported] gas ... The federal government's primary responsibility in authorizing imports [or exports] should be to evaluate the need for the gas and whether the import [or export] arrangement will provide the gas on a competitively priced basis for the duration of the contract while minimizing regulatory impediments to a freely operating market."

In 2013, DOE/FECM affirmed that "it continues to subscribe to the principle set forth in our 1984 Policy Guidelines that, under most circumstances, the market is the most efficient means of allocating natural gas supplies."¹³ While the Policy Guidelines solely address imports, DOE/FECM has found that the principles are applicable equally to exports.¹⁴

As stated above, DOE/FECM amended its regulations in 2018 to facilitate small-scale natural gas exports. In its Small-Scale Export Rule, DOE/FECM determined that small-scale exports up to and including 51.75 Bcf/yr are consistent with the public interest under NGA section 3(a). DOE/FECM recognized that there is an emerging market for small-scale natural gas exports in many countries that have heretofore not been targeted by larger scale LNG projects due to practical and economic constraints.¹⁵ DOE/FECM noted that these markets

¹¹ *Id*.

¹² Policy Guidelines and Delegation Orders Relating to the Regulation of Imported Natural Gas, 49 Fed. Reg. 6,684 (Feb. 22, 1984) ("Policy Guidelines").

¹³ Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC, DOE/FE Order No. 3282 at 112 (May 17, 2013).

¹⁴ See, e.g., Jordan Cove Energy System, L.P., DOE/FE Order No. 3413 at 7 (Mar. 24, 2014) (citing *Phillips Alaska Natural Gas Corp. and Marathon Oil Co.*, DOE/FE Order No. 1473 at 14 (Apr. 2, 1999)).

¹⁵ Small-Scale Export Rule, 83 Fed. Reg. at 35107.

include, but are not limited to, countries in the Caribbean, Central American and South America that can be served by a variety of transportation modes, such as approved ISO containers.

Based on its analysis of the factors affecting the export of natural gas from the U.S., as well the unique characteristics and minimal adverse impacts of the emerging small-scale natural gas market, DOE/FECM concluded that small-scale natural gas exports shall be deemed to be consistent with the public interest. In reaching this conclusion, DOE/FECM analyzed the factors commonly evaluated in determining whether natural gas exports are in the public interest. Relying on the Energy Information Administration's 2017 and 2018 Annual Energy Outlook ("AEO"), DOE/FECM found that there are adequate natural gas resources to both meet the demand for natural gas in the United States and to export the volume of gas associated with small-scale export authorizations. DOE/FECM, therefore, concluded that small-scale exports will not adversely affect the availability of natural gas supplies to domestic consumers.¹⁶

DOE/FECM also concluded that small-scale natural gas exports are expected to generate positive economic benefits in the United States through direct and indirect job creation, increased economic activity, tax revenue, and improved U.S. balance of trade.¹⁷ The DOE/FECM's finding of positive economic impacts in the Small-Scale Export Rule is consistent with findings made by DOE/FECM in numerous orders approving many other export applications¹⁸ Finally,

¹⁶ 83 Fed. Reg. at 35109-35110.

¹⁷ *Id.* at 35112.

¹⁸ See, e.g., ConocoPhillips Company, DOE/FE Order No. 2731 at 10 (Nov. 30, 2009) (exportation of LNG will help to improve the United States' balance of payments with the destination countries.); *Cheniere Marketing, Inc.*, DOE/FE Order No. 2651 at 14 (June 8, 2009) (exports may mitigation of balance of payments); *Freeport LNG Expansion, L.P., FLNG Liquefaction, LLC, FLNG Liquefaction 2, LLC and FLNG Liquefaction 3, LLC*, DOE/FE Order No. 3357 at 153 (Nov. 15, 2013) (U.S. exports can counteract concentration within global LNG markets, thereby diversifying international supply options and improving energy security for many of this country's allies and trading partners); *Jordan Cove Energy System, L.P.,* DOE/FE Order No. 3413 at 142 (Mar. 24, 2014) (U.S. exports can diversify global

DOE/FECM found small-scale exports from the U.S. will provide benefits to the emerging markets by providing these countries with a more diversified, reliable and cost-effective source of energy and improve their environment by allowing them to switch from fuel sources such as diesel and/or fuel oil to cleaner burning natural gas.

DOE/FECM has recently recognized the important role U.S. LNG exports can play in ensuring energy security in light of the Russian invasion of Ukraine.¹⁹ Additionally, DOE has recognized that U.S. LNG will be important for the energy transition in Europe. As DOE Secretary Jennifer Granholm explained, European Countries, "really do want to use the cleanest form of energy possible that they can get, and they have been very grateful to the United States. They feel like our LNG is cleaner and they feel like we are a trusted partner, and they can count on us."²⁰ These exports will support the replacement diesel and heavy fuel oil with lower carbon-intensity natural gas, support global energy security and further the transition to renewable energy. Facilitating the use of Verbio's RNG will provide these markets with

Carbon Management Issues Full Suite of Action on LNG Exports and Methane Emissions Mitigation (Apr. 21, 2023) ("Following Russia's brutal invasion of Ukraine, the United States has become the primary supplier of LNG to Europe, demonstrating the flexibility and reliability of American LNG in global markets ... we are committed to doing everything we can to support the energy security and sustainability of our international allies and partners, while working to reduce emissions across LNG supply chains").

LNG supplies, and increase the volumes of LNG available globally, it will improve energy security for many U.S. allies and trading partners.).

¹⁹ See e.g., Freeport LNG Expansion, L.P. et al., DOE/FECM Order No. 4961 at 53 (Mar. 3, 2023) (highlighting renewed energy security concerns in Europe after Russia's invasion of Ukraine given the relative share of Russian supplied natural gas); *Magnolia LNG, LLC, DOE/FE Order No. 3909-C, Docket No. 13-132-LNG, Order Amending Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations at 64-65 (April 27, 2022). See also U.S. Dep't of Energy, Office of Fossil Energy and Carbon Mgmt., Office of Fossil Energy and*

²⁰ Jennifer Granholm, Secretary, U.S. Dep't of Energy, U.S. Secretary of Energy Jennifer M. Granholm Speaks at 2023 CERAWeek Luncheon & Keynote Address, C-SPAN (Mar. 8, 2023), available at https://www.cspan.org/video/?526539-1/energy-secretary-granholm-speaks-ceraweek-conference

sustainably produced energy with greenhouse gas emissions up to 90% lower than comparable fossil fuels. Providing export authorization will also support the continued development of Verbio's energy production from renewable resources, which will both reduce greenhouse gas emissions and address the problem of surplus agricultural production in North America. The ability to export this volume of RNG will facilitate the sustainable contribution of RNG to the natural gas transportation grid in the future.

Verbio also intends to target some of the same small-scale emerging LNG markets identified by DOE/FECM in the Small-Scale Export Rule, including countries in the Caribbean. Verbio believes that these emerging markets have unmet demand for natural gas that Verbio can meet with exports of LNG pursuant to the requested authorizations. Verbio's intends initially to target end-users in these emerging markets, and eventually to provide RNG to power generators that currently are dependent on diesel fuel as their fuel source. Consequently, the environments in these countries will improve greatly from the substitution of high SOx and NOx emission fuels with cleaner burning natural gas fuel. Given that these emerging markets often lack the demand and infrastructure to accommodate large quantities of natural gas, large LNG carriers, and LNG gasification facilities, small-scale natural gas exports will allow these economic and environmental benefits to be realized. Furthermore, combining small-scale LNG exports with low sulfur fuel oils offer a cost-effective power generation solution to remote and off-grid customers reliant on high sulfur fuels in these regions.

To qualify for authorization under the Small-Scale Export Rule, an applicant must (1) submit a complete application for authority to export no more than 51.75 Bcf/yr and (2) approval of the application must not require an environmental impact statement ("EIS") or environmental assessment ("EA") under the National Environmental Policy Act, 42 U.S.C. § 4321, *et seq.*

("NEPA"). 10 C.F.R. § § 590.102(p); 590.208(a). Because Verbio will not be constructing any new facilities, Verbio's Application is eligible for a categorical exclusion from the requirement that DOE/FECM perform an EIS or EA under NEPA.²¹ Specifically, the Application is eligible for categorical exclusion B5.7 under the DOE/FECM's regulations implementing NEPA. 10 C.F.R. § 1021, subpart D, appendix B5.7. Consequently, Verbio has satisfied the two elements of the Small-Scale Export Rule and is eligible for a small-scale natural gas export authorization.

V. <u>AGENCY</u>

DOE/FECM has consistently granted the type of agency authority sought here by Verbio. DOE/FECM first addressed the concept of agency rights in Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC ("FLEX"). DOE/FECM found that "FLEX has requested an acceptable process by which FLEX can act as agent for others who want to export LNG" and that "FLEX's agency rights and registration procedures are an alternative to the non-binding policy adopted by DOE/FECM in DOE Opinion and Order No. 2859 . . . that the title for all LNG authorized to be exported shall be held by the authorization holder at the point of export."

DOE/FECM also accepted FLEX's proposal to file the relevant long-term commercial agreements under seal once they have been executed. DOE/FECM stated that by: "accepting FLEX's requested registration process and contract terms, DOE/FECM will ensure that the title holder is aware of all requirements in the Order, including destination restrictions, that DOE will have a record of all authorized exports, and that DOE will have direct contact information and point of contact with the title holder." DOE/FECM concluded that "[t]his process is responsive

²¹ Verbio does not plan to construct LNG facilities in the future, nor will it cause any facilities to be constructed in the future. Rather, Verbio seeks authority to source gas from any facilities that may be constructed in the future only after such facilities have been constructed and listed in Appendix C.

to current LNG markets and provides an expedited process by which companies seeking to export LNG can do so."

DOE/FECM should grant Verbio's proposed procedure as it is identical to the procedure that DOE/FECM consistently has granted.

VI. <u>APPENDICES</u>

Attached hereto are Appendices required by Section 590.202 of DOE/FECM's regulations:

Appendix A Verification

Appendix B Opinion of Counsel

Appendix C List of Liquefaction Facilities and Ports

VII. <u>CONCLUSION</u>

For the reasons set forth above, Verbio requests that DOE/FECM issue an order granting it the authorizations requested. As demonstrated herein, the authorizations requested are not inconsistent with the public interest and, in fact, are deemed to DOE/FECM's regulations to be in the public interest. Accordingly, the authorizations should be granted pursuant to Section 3 of the Natural Gas Act and DOE/FECM's Small Scale Export Rule.

Respectfully submitted,

1st Howard L. Nelson

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Verbio North America, LLC) FECM Docket No. 24-__-LNG

VERIFICATION

The undersigned, being duly sworn, on oath states that he is the authorized representative of Verbio North America, LLC and is duly authorized to make this Verification; that he has read the foregoing application and that all the statements and matters contained therein are true and correct to the best of his information, knowledge and belief.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Stamford, CT on July 25, 2024.

Isl Rand Dueweke

Rand Dueweke

Verbio North America, LLC

) FECM Docket No. 24-___-LNG

OPINION OF COUNSEL



Howard L. Nelson Tel 202.331.3163 Fax 202.331.3101 NelsonH@gtlaw.com

July 25, 2024

Ms. Amy Sweeney U.S. Department of Energy Office of Fossil Energy and Carbon Management Room 3E-052, FE-34 1000 Independence Avenue, SW Washington, DC 20585

Re: *Verbio North America, LLC,* DOE/FECM Docket No. 24-____-LNG Application for Long-Term and Short-Term Authorization to Make Small Scale Exports of Liquefied Natural Gas to Free Trade and Non-Free Trade Agreement Countries

Dear Ms. Sweeney:

This opinion is provided pursuant to Section 590.202(c) of the Department of Energy Regulations, 10 C.F.R. §590.202(c), in support of the Application of Verbio North America, LLC ("Verbio") for Long-Term and Short-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement and Non-Free Trade Agreement Nations.

I am counsel to Verbio, a limited liability company organized under the laws of the State of Michigan. I have reviewed and relied upon the formation documents of Verbio, and it is my opinion that the proposed exports described in the Application are within the limited liability company powers of Verbio.

Very truly yours,

1st Howard L. Nelson

Howard L. Nelson Counsel for Verbio North America, LLC

Verbio North America, LLC) FECM Docket No. 24-__-LNG

LIQUEFACTION FACILITIES AND PORTS

The following is a list of the facilities from which Verbio is seeking authority to source LNG for export at this time and the ports from which these exports will be made. Verbio will notify DOE/FECM of additional facilities it will export from prior to exporting LNG from such additional facilities:

The following facilities have been licensed by, or pending before, the Federal Energy

Regulatory Commission ("FERC"). A description of the facilities may be found on the FERC e-

library website at the docket number provided:

1. Jacksonville, Florida: 0.13 Bcfd (Eagle LNG Partners) (CP17-41) (Port: Jacksonville, Florida)

Eagle LNG's Jacksonville LNG export facility, authorized by FERC in September 2019, has a processing capacity of 1.65 million gallons of LNG per day, with onsite LNG storage of 12 million gallons.

2. Eagle LNG Partners, Maxville, Florida (Port: Talleyrand Marine Terminal on St. Johns River)

Eagle LNG has built a natural gas liquefaction plant near Jacksonville, FL, which offers a capacity of 200,000 gallons per day (87,000 gallons per day initially). This state-of-the-art facility is operational and producing high-quality LNG. The facility has production capacity available for sale to both domestic and international clients. The Maxville Facility is located west of downtown Jacksonville and features a 1,000,000-gallon storage tank and an LNG truck loading system. The facility is also designed to load LNG ISO containers for transport to nearby

island markets. To support fueling ships, Eagle is building a fuel depot dockside at the Talleyrand Marine Terminal on the St. Johns River.

3. Stabilis Energy, George West, Texas (Port: Houston, Texas or Corpus Christi, Texas)

The George West LNG facility is a small-volume LNG production facility located in the Eagle Ford shale production area in George West, Texas. The facility is owned and operated by Flint Hills Resources and has a liquefaction capacity of 120,000 gallons per day and a 40,000-gallon LNG Fuel Depot in Odessa providing customers with access to LNG 24 hours a day. The facility features two truck loading racks that can load two transport trailers simultaneously in less than an hour.

4. Clean Energy Pickens Plant, Willis, Texas (Port: Houston, Texas or Galveston, Texas)

The Clean Energy LNG facility in Willis, Texas known as the Pickens Plant is a small-volume LNG production owned and operated by Clean Energy Fuels Corporation. The facility has a liquefaction capacity of 100,000 gallons per day and a storage capacity of 1 million gallons. The facility is capable for loading twelve (12) trucks per day.

5. NuBlu, Port Allen Plant, Louisiana (Port: Port Allen, Mississippi River, Louisiana or New Orleans, Louisiana)

The Port Allen Plant is a small-volume LNG production facility owned and operated by NuBlu along the Mississippi River in Louisiana utilizing high and low-pressure natural gas pipelines. The 30,000 gallons per day facility, expandable to 90,000 gallons per day, is equipped with scales, loadout and 100,000 gallons of permanent storage. The company is currently in discussions to export LNG in ISO containers to the Caribbean, Central America and South America.

6. Universal LNG Solutions, Yoakum, Texas (Port: Port O'Connor or Galveston, Texas)

The Universal LNG Solution (formerly Heyco LNG) facility in Yoakum, Texas is a small-volume LNG production owned and operated by Universal LNG Holdings. The facility has a liquefaction capacity of 300,000 gallons per day with the potential to expand to more than 800,000 gallons per day. The plant supplies LNG to Universal LNG's fleet of 15 tractor-trailer trucks.

7. JAX LNG, Jacksonville, Florida (Port: Jacksonville)

JAX LNG, a liquefied natural gas facility located at Dames Point in Jacksonville, Florida, owned

by subsidiaries of Southern Company Gas and North Star Midstream, LLC. It is the first smallscale LNG facility in the United States with both marine and truck-loading capabilities. The JAX LNG facility has the capacity to produce 120,000 gallons of LNG per day and store more than 2 million gallons of LNG. There is room at the site to expand the facility and add two liquefaction trains and a second storage tank which would increase LNG production capacity to 600,000 gallons per day and store up to 4 million gallons.