UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

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SABINE PASS LIQUEFACTION, LLC AND SABINE PASS LIQUEFACTION STAGE V, LLC

DOCKET NO. 24-27-LNG

ORDER GRANTING LONG-TERM AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS TO FREE TRADE AGREEMENT NATIONS

DOE/FECM ORDER NO. 5181

OCTOBER 17, 2024

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

On March 1, 2024, Sabine Pass Liquefaction, LLC and Sabine Pass Liquefaction Stage V, LLC (collectively, Sabine Pass) jointly filed an application (Application)¹ with the Office of Fossil Energy and Carbon Management (FECM)² of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA).³ Sabine Pass supplemented the Application with additional documentation on March 21, 2024.⁴ Sabine Pass requests longterm, multi-contract authorization to increase its approved exports of domestically produced liquefied natural gas (LNG) by the equivalent of 899.46 billion cubic feet per year (Bcf/yr) of natural gas (2.46 Bcf per day (Bcf/d)).⁵ Sabine Pass seeks to export this LNG by vessel from the proposed Sabine Pass Stage 5 Expansion Project (the Stage 5 Project). According to Sabine Pass, the Stage 5 Project includes two new natural gas liquefaction trains (Trains 7 and 8) to be added to the existing Sabine Pass LNG Terminal (SPLNG Terminal), which is currently operating in Cameron Parish, Louisiana.⁶

Sabine Pass requests authorization to export this LNG to any country with which trade is not prohibited by U.S. law or policy.⁷ This includes both countries with which the United States has entered into a free trade agreement (FTA) requiring national treatment for trade in

¹ Sabine Pass Liquefaction, LLC and Sabine Pass Liquefaction Stage V, LLC, Application for Long-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement and Non-Free Trade Agreement Nations, Docket No. 24-27-LNG (Mar. 1, 2024) [hereinafter App.].

² FECM, formerly called the Office of Fossil Energy (FE), changed its name on July 4, 2021.

³ 15 U.S.C. § 717b. The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA has been delegated to the Assistant Secretary for FECM in Redelegation Order No. S4-DEL-FE1-2023, issued on April 10, 2023.

⁴ Letter from Karri Mahmoud, Cheniere Energy, Inc., to Amy Sweeney, DOE, Documentation of Control of Property, Docket No. 24-27-LNG (Mar. 21, 2024).

⁵ App. at 3-4, 13.

⁶ *Id.* at 3. To date, the Federal Energy Regulatory Commission (FERC) has authorized the construction and operation of Trains 1-6 at the SPLNG Terminal with a total authorized production capacity of 1,661.94 Bcf/yr of natural gas. *See* Sabine Pass Liquefaction, LLC, *et al.*, Order Amending Authorization Under Section 3 of the Natural Gas Act, 177 FERC ¶ 61,030 (2021); *see also* App. at 3 n.4.

⁷ App. at 3, 13-14.

natural gas (FTA countries),⁸ and any other country with which trade is not prohibited by U.S. law or policy (non-FTA countries).⁹

As relevant here, Sabine Pass requests the FTA authorization for a term of 25 years after the commencement of commercial exports under the requested authorization.¹⁰ Sabine Pass requests this authorization on its own behalf and as agent for other entities that will hold title to the LNG at the time of export.¹¹

Sabine Pass is currently authorized under several DOE orders to export domestically produced LNG in a total volume equivalent to 1,661.94 Bcf/yr of natural gas from the SPLNG Terminal (Trains 1-6) to FTA and non-FTA countries.¹² Sabine Pass states that, contemporaneously with this Application, it is seeking authorization from FERC to site, construct, and operate the Stage 5 Project, which "will increase the total LNG production capacity of the SPLNG Terminal, at peak operations under optimal conditions, by 899.46 Bcf/y[r]."¹³ Therefore, in the Application, Sabine Pass proposes to increase the maximum

⁸ 15 U.S.C. § 717b(c). 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 Israel and Costa Rica do not require national treatment for trade in natural gas.

⁹ 15 U.S.C. § 717b(a).

¹⁰ App. at 4 (describing requested FTA and non-FTA export terms). *See also* U.S. Dep't of Energy, Extending Natural Gas Export Authorizations to Non-Free Trade Agreement Countries Through the Year 2050; Notice of Final Policy Statement and Response to Comments, 85 Fed. Reg. 52,237 (Aug. 25, 2020). Additionally, DOE notes that, effective January 12, 2021, long-term export authorizations contain authority to export the same approved volume of LNG pursuant to transactions with terms of less than two years, including commissioning volumes, on a non-additive basis. *See* U.S. Dep't of Energy, Including Short-Term Export Authority in Long-Term Authorizations for the Export of Natural Gas on a Non-Additive Basis; Policy Statement, 86 Fed. Reg. 2243 (Jan. 12, 2021).

¹¹ App. at 4, 16.

¹² See id. at 8, 48-50 (Appendix A); see also infra at § II (Procedural History) and Appendix (tables identifying DOE orders).

¹³ App. at 9-10.

volume of its authorized FTA and non-FTA exports, on a non-additive basis, to correspond with that increased LNG production capacity.¹⁴

The portion of Sabine Pass's Application that seeks authorization to export domestically produced LNG to FTA countries is being reviewed pursuant to NGA section $3(c)^{15}$ and approved in this Order. The portion of the Application that seeks authorization to export domestically produced LNG to non-FTA countries will be reviewed pursuant to NGA section $3(a)^{16}$ and addressed in a separate order.¹⁷

II. <u>BACKGROUND</u>

Applicants. Sabine Pass Liquefaction, LLC and Sabine Pass Liquefaction Stage V, LLC are each Delaware limited liability companies with their principal place of business in Houston, Texas. These entities are indirect subsidiaries of Cheniere Energy Partners L.P., a Delaware limited partnership controlled by indirect subsidiaries of Cheniere Energy, Inc., a Delaware corporation.¹⁸ According to Sabine Pass, "affiliates of Blackstone Inc., affiliates of Brookfield Asset Management Inc. and the public hold the remaining non-controlling limited partner interests in Cheniere Energy Partners, L.P."¹⁹

<u>**Procedural History</u>**. Sabine Pass holds several long-term export authorizations from DOE to export LNG from the SPLNG Terminal to FTA and non-FTA countries. These long-term authorizations, as amended, are as follows:</u>

¹⁴ *Id*. at 7.

¹⁵ 15 U.S.C. § 717b(c).

¹⁶ *Id.* § 717b(a).

¹⁷ See Sabine Pass Liquefaction, LLC and Sabine Pass Liquefaction Stage V, LLC, Application for Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations, 89 Fed Reg. 28,762 (Apr. 19, 2024).

¹⁸ App. at 5.

¹⁹ Id.

- DOE/FE Order No. 2833, authorizing the export of 803 Bcf/yr from Trains 1-4 to FTA countries;²⁰
- DOE/FE Order No. 2961, authorizing the export of 803 Bcf/yr from Trains 1-4 to non-FTA countries;²¹
- DOE/FE Order No. 3306, authorizing the export of 101 Bcf/yr from Trains 5 and 6 to FTA countries;²²
- DOE/FE Order No. 3307, authorizing the export of 88.3 Bcf/yr from Trains 5 and 6 to FTA countries;²³
- DOE/FE Order No. 3384, authorizing the export of 314 Bcf/yr from Trains 5 and 6 to FTA countries;²⁴
- DOE/FE Order No. 3595, authorizing the export of 203 Bcf/yr from Trains 1-4 to FTA countries;²⁵

²² Sabine Pass Liquefaction, LLC, DOE/FE Order No. 3306, Docket No. 13-30-LNG, Order Granting Authorization to Export Liquefied Natural Gas by Vessel Pursuant to the Long-Term Contract with Total Gas & Power North America, Inc. from the Sabine Pass LNG Terminal to Free Trade Agreement Nations (July 11, 2013), amended by DOE/FE Order No. 3306-A (Oct. 31, 2017) (granting request for clarification), further amended by DOE/FE Order No. 3306-B (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 3306-C (Feb. 26, 2021) (granting request for contract consolidation).

²³ Sabine Pass Liquefaction, LLC, DOE/FE Order No. 3307, Docket No. 13-42-LNG, Order Granting Authorization to Export Liquefied Natural Gas by Vessel Pursuant to the Long-Term Contract with Centrica plc from the Sabine Pass LNG Terminal to Free Trade Agreement Nations (July 12, 2013), *amended by* DOE/FE Order No. 3307-A (Oct. 31, 2017) (granting request for clarification), *further amended by* DOE/FE Order No. 3307-B (Oct. 28, 2020) (extending export term), *further amended by* DOE/FE Order No. 3307-C (Feb. 26, 2021) (granting request for contract consolidation).

²⁴ Sabine Pass Liquefaction, LLC, DOE/FE Order No. 3384, Docket No. 13-121-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal to Free Trade Agreement Nations (Jan. 22, 2014), *amended by* DOE/FE Order No. 3384-A (Oct. 31, 2017) (granting request for clarification), *further amended by* DOE/FE Order No. 3384-B (Oct. 28, 2020) (extending export term), *further amended by* DOE/FE Order No. 3384-C (Feb. 26, 2021) (granting request for contract consolidation).

 ²⁰ Sabine Pass Liquefaction, LLC, DOE/FE Order No. 2833, Docket No. 10-85-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Sabine Pass LNG Terminal to Free Trade Nations (Sept. 7, 2010), amended by DOE/FE Order No. 2833-A (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2833-B (Feb. 26, 2021) (granting request for contract consolidation).
 ²¹ Sabine Pass Liquefaction, LLC, DOE/FE Order No. 2961-A, Docket No. 10-111-LNG, Final Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Sabine Pass LNG Terminal to Non-Free Trade Agreement Nations (Aug. 7, 2012), Errata (Sept. 4, 2012), reh'g denied, DOE/FE Order No. 2961-B (Jan. 25, 2013), amended by DOE/FE Order No. 2961-C (May 4, 2016) (authorizing make-up period), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-D (Oct. 28, 2020) (extending export term), further amended by DOE/FE Order No. 2961-E (Feb. 26, 2021) (granting request for contract consolidation).

²⁵ Sabine Pass Liquefaction, LLC, DOE/FE Order No. 3595, Docket No. 14-92-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal in Cameron Parish, Louisiana, to Free Trade Agreement Nations (Feb. 12, 2015), Errata (Feb. 24, 2015), *amended by* DOE/FE Order No. 3595-A (Oct. 28, 2020) (extending export term), *further amended by* DOE/FE Order No. 3595-B (Feb. 26, 2021) (granting request for contract consolidation).

- DOE/FE Order No. 3669-B, authorizing the export of 503.3 Bcf/yr from Trains 5 and 6 to non-FTA countries;²⁶
- DOE/FE Order No. 3792, authorizing the export of 203 Bcf/yr from Trains 1-4 to non-FTA countries;²⁷
- DOE/FE Order No. 4520, authorizing the export of 152.64 Bcf/yr from Trains 1-6 to FTA countries;²⁸ and
- DOE/FECM Order No. 4800, authorizing the export of 152.64 Bcf/yr from Trains 1-6 to non-FTA countries.²⁹

Under the terms of these authorizations, the FTA and non-FTA volumes are not additive to

one another. Sabine Pass is thus currently authorized to export domestically produced LNG

in a total volume equivalent to 1,661.94 Bcf/yr of natural gas to FTA and non-FTA countries

for a term through December 31, 2050.³⁰

²⁶ See Sabine Pass Liquefaction, LLC, DOE/FE Order No. 3669, Docket Nos. 13-30-LNG, 13-42-LNG, and 13-121-LNG (Consolidated), Final Opinion and Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal Located in Cameron Parish, Louisiana, to Non-Free Trade Agreement Nations (June 26, 2015), *reh'g denied*, DOE/FE Order No. 3669-A (May 26, 2016), *amended by* DOE/FE Order No. 3669-B (Oct. 31, 2017) (granting request for clarification), *further amended by* DOE/FE Order No. 3669-C (Oct. 28, 2020) (extending export term), *further amended by* DOE/FE Order No. 3669-D (Feb. 26, 2021) (granting request for contract consolidation).

²⁷ Sabine Pass Liquefaction, LLC, DOE/FE Order No. 3792, Docket No. 15-63-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Sabine Pass LNG Terminal Located in Cameron Parish, Louisiana, to Non-Free Trade Agreement Nations (Mar. 11, 2016), *reh'g denied*, DOE/Order No. 3792-A (Oct. 20, 2016), *further amended by* DOE/FE Order No. 3792-B (Oct. 28, 2020) (extending export term), *further amended by* DOE/FE Order No. 3792-C (Feb. 26, 2021) (granting request for contract consolidation).

²⁸ Sabine Pass Liquefaction, LLC, DOE/FE Order No. 4520, Docket No. 19-125-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations (Apr. 14, 2020), *amended by* DOE/FE Order No. 4520-A (Oct. 28, 2020) (extending export term), *further amended by* DOE/FE Order No. 4520-B (Feb. 26, 2021) (granting request for contract consolidation).

²⁹ Sabine Pass Liquefaction, LLC, DOE/FECM Order No. 4800, Docket No. 19-125-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Mar. 16, 2022).

³⁰ App. at 8, 48-50 (Appendix A); *see also infra* Appendix. Additionally, Sabine Pass currently holds two shortterm orders (neither of which involve domestically produced LNG): (i) DOE/FECM Order No. 5125 (Docket No. 24-28-LNG) (June 6, 2024), authorizing exports by vessel of LNG previously imported from foreign sources to FTA and non-FTA countries for a two-year period; and (ii) DOE/FECM Order No. 4908 (Docket No. 22-119-LNG) (Oct. 31, 2022), authorizing imports by vessel of LNG from various international sources for a two-year period.

Proposed Stage 5 Project. Sabine Pass states that the Stage 5 Project will be located and constructed on land controlled under long-term lease by Sabine Pass adjacent to the existing SPLNG Terminal, located on the Sabine-Neches Waterway in Cameron Parish, Louisiana.³¹

Sabine Pass states that the Stage 5 Project will consist of two new natural gas liquefaction trains (Trains 7-8), which together with one new boil-off gas (BOG) reliquefaction unit, will be capable of producing, at peak operations under optimal conditions, approximately 899.46 Bcf/yr of natural gas.³² The Stage 5 Project will also include two fullcontainment, above-ground 220,000 cubic meter LNG storage tanks and supporting infrastructure, among other additions.³³ According to Sabine Pass, the Stage 5 Project facilities will be interconnected and operated, on an integrated basis, with the existing SPLNG Terminal.³⁴

Sabine Pass states that the Stage 5 Project may be constructed in either a single or multiple stages and has a projected six-year construction period.³⁵ Sabine Pass anticipates that exports from the Stage 5 Project "could commence as early as 2030," but "may not commence until the early years of the 2030s" depending on the timing of regulatory approvals and other factors.³⁶

Proposed New Pipeline. Sabine Pass states that, in its pending FERC application filed jointly with its affiliate, Sabine Crossing, LLC (Sabine Crossing), Sabine Crossing is

³¹ App. at 3, 9. On March 21, 2024, Sabine Pass supplemented the Application with documentation of site ownership. *See supra* at 1 note 4.

³² *Id.* at 10; *see also id.* at 3 n.5.

³³ *Id.* at 10.

³⁴ Id.

³⁵ *Id*. at 13.

³⁶ Id.

proposing to construct a new, 48-inch diameter natural gas pipeline called the Sabine Crossing Pipeline, which will originate in Texas and extend to the SPLNG Terminal.³⁷ Sabine Pass states that this proposed pipeline will transport up to approximately 2.7 Bcf/d of natural gas to the SPLNG Terminal, supplementing the existing pipelines that currently supply the SPLNG Terminal.³⁸ Sabine Pass states that it has entered into a binding precedent agreement with Sabine Cross for "essentially all of the firm transportation capacity" of the Sabine Crossing Pipeline.³⁹

Source of Natural Gas. Sabine Pass states that, although the source of the "particular natural gas supplies that will be exported pursuant to the requested authorization cannot be known at this time and undoubtedly will change over time," the Stage 5 Project "by design is not dependent upon any particular natural gas supply."⁴⁰ Sabine Pass further states that, with its transportation capacity on the Sabine Crossing Pipeline extending into Texas, it "is wellplaced to obtain [natural] gas supplies that will be brought to that area," including from the Permian, Eagle Ford, and Haynesville production regions.⁴¹ Sabine Pass adds that it "currently has the ability to access natural gas from every supply source in the continental U.S. [and] Canada."42

Business Model. Sabine Pass requests authorization to export LNG on its own behalf and as agent for other entities that hold title to the LNG at the time of export. Sabine Pass

⁴² Id.

³⁷ App. at 9, 10-11.

³⁸ *Id*. at 10.

³⁹ *Id.* at 11. ⁴⁰ Id.

⁴¹ *Id*.

states that it will comply with all DOE requirements for exporters and agents, including registration requirements.⁴³

Sabine Pass further states that, to date, its marketing affiliates have entered into longterm LNG sale and purchase agreements with five offtake customers to purchase LNG associated with the Stage 5 Project.⁴⁴ According to Sabine Pass, "these volumes are not required to be produced specifically from the Stage 5 project facilities as the SPLNG Terminal operates on an integrated basis."⁴⁵ Nonetheless, Sabine Pass requests that DOE "confirm that its contract consolidation ruling previously issued for Sabine Pass [in DOE/FE Order Nos. 2833-B, *et al.*] applies equally to the new export authorizations once issued."⁴⁶ Additionally, Sabine Pass states that it will file, or cause to be filed, all long-term contracts, once executed, in accordance with DOE's established policy and precedent.⁴⁷

III. <u>FINDINGS</u>

(1) Section 3(c) of the NGA was amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486) to require that applications requesting authority for (a) the import and export of natural gas, including LNG, from and to a nation with which there is in effect a FTA requiring national treatment for trade in natural gas, and/or (b) the import of LNG from other international sources, be deemed consistent with the public interest and granted without modification or delay. The FTA portion of Sabine Pass's Application falls within section

⁴³ App. at 16.

⁴⁴ *Id.* at 12.

⁴⁵ Id.

 ⁴⁶ Id. at 13 (referencing Sabine Pass Liquefaction, LLC, DOE/FE Order Nos. 2833-B, et al., Docket Nos. 10-85-LNG, et al., Order Granting Request for Contract Consolidation (Feb. 26, 2021)).
 ⁴⁷ Id. at 12-13.

3(c), as amended, and therefore, DOE grants the requested FTA authorization without modification or delay.⁴⁸

(2) In light of DOE's statutory obligation to grant the FTA portion of this Application without modification or delay, there is no need for DOE to review other arguments asserted by Sabine Pass in support of the Application. The instant grant of authority should not be read to indicate DOE's views on those arguments or on Sabine Pass's request for non-FTA export authorization.

(3) The countries with which the United States has a FTA requiring national treatment for trade in natural gas currently are: Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore.

(4) Sabine Pass requests authorization to export LNG on its own behalf and as agent for other entities that hold title to the LNG at the time of export. DOE previously addressed the issue of Agency Rights in DOE/FE Order No. 2913,⁴⁹ which granted Freeport LNG Expansion, L.P., *et al.* (collectively, FLEX) authority to export LNG to FTA countries. In that order, DOE approved a proposal by FLEX to register each LNG title holder for whom FLEX sought to export LNG as agent. DOE found that this proposal was an acceptable alternative to the non-binding policy adopted by DOE in *The Dow Chemical Company*,⁵⁰

⁴⁸ DOE further finds that the requirement for public notice of applications and other hearing-type procedures in 10 C.F.R. Part 590 are applicable only to applications seeking to export natural gas, including LNG, to non-FTA countries.

⁴⁹ *Freeport LNG Expansion, L.P., et al.,* DOE/FE Order No 2913, Docket No. 10-160-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Freeport LNG Terminal to Free Trade Nations (Feb. 10, 2011).

⁵⁰ *The Dow Chemical Co.*, DOE/FE Order No. 2859, Docket No. 10-57-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas, at 7-8 (Oct. 5, 2010), discussed in *Freeport LNG*, DOE/FE Order No. 2913, at 7-8.

which established that the title for all LNG authorized for export must be held by the authorization holder at the point of export. DOE finds that the same policy considerations that supported DOE's acceptance of the alternative registration proposal in DOE/FE Order No. 2913 apply here as well.

DOE has reiterated its policy on Agency Rights procedures in other authorizations, including *Cameron LNG, LLC*, DOE/FE Order No. 3680.⁵¹ In that order, DOE determined that, in LNG export orders in which Agency Rights have been granted, DOE shall require registration materials filed for, or by, an LNG title-holder (Registrant) to include the same company identification information and long-term contract information of the Registrant as if the Registrant had filed an application to export LNG on its own behalf.⁵²

To ensure that the public interest is served, this authorization requires that, where Sabine Pass proposes to export LNG as agent, it must register the Registrants with DOE in accordance with the procedures and requirements described herein.

(5) Section 590.202(b) of DOE's regulations requires applicants to supply transaction-specific factual information "to the extent practicable."⁵³ Additionally, DOE regulations at 10 C.F.R. § 590.202(e) allow confidential treatment of the information supplied in support of or in opposition to an application if the submitting party requests such treatment, shows why the information should be exempted from public disclosure, and DOE determines it will be afforded confidential treatment in accordance with 10 C.F.R. § 1004.11.

⁵¹ Cameron LNG, LLC, DOE/FE Order No. 3680, Docket No. 15-36-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas By Vessel from the Cameron LNG Terminal in Cameron and Calcasieu Parishes, Louisiana, to Free Trade Agreement Nations (July 10, 2015).
⁵² Id. at 8-9.

⁵³ 10 C.F.R. § 590.202(b).

(6) DOE will require that Sabine Pass file or cause to be filed with DOE any relevant long-term commercial agreements or contracts pursuant to which Sabine Pass exports LNG as agent for a Registrant once those agreements or contracts have been executed. DOE finds that the submission of all such agreements or contracts within 30 days of their execution using the procedures described below will be consistent with the "to the extent practicable" requirement of section 590.202(b). By way of example and without limitation, a "relevant long-term commercial agreement" includes an agreement with a minimum term of two years.

(7) DOE also will require Sabine Pass to file any long-term contracts Sabine Pass enters into providing for the long-term export of LNG on its own behalf from the proposed Stage 5 Project. DOE finds that the submission of these contracts within 30 days of their execution using the procedures described below will be consistent with the "to the extent practicable" requirement of section 590.202(b).

(8) In addition, DOE finds that section 590.202(c) of DOE's regulations⁵⁴ requires that Sabine Pass file, or cause to be filed, all long-term contracts associated with the long-term supply of natural gas to the Stage 5 Project, whether signed by Sabine Pass or the Registrant, within 30 days of their execution.

(9) DOE recognizes that some information in Sabine Pass's or a Registrant's longterm commercial agreements associated with the export of LNG, and/or long-term contracts associated with the long-term supply of natural gas to the Stage 5 Project, may be commercially sensitive. DOE therefore will provide Sabine Pass the option to file or cause to be filed either unredacted contracts, or in the alternative: (A) Sabine Pass may file, or cause to be filed, long-term contracts under seal, but it also will file for public posting, within 30

⁵⁴ *Id.* § 590.202(c).

days of the contract execution date, either: (i) a copy of each long-term contract with commercially sensitive information redacted, or (ii) a summary of all major provisions of the contract(s) including, but not limited to, the parties to each contract, contract term, quantity, any take or pay or equivalent provisions/conditions, destination, re-sale provisions, and other relevant provisions; and (B) the filing must demonstrate why the redacted or non-disclosed information should be exempted from public disclosure.⁵⁵

To ensure that DOE destination and reporting requirements included in the Order are conveyed to subsequent title holders, DOE will include as a condition of this authorization that future contracts for the sale or transfer of LNG exported pursuant to the Order shall include an acknowledgement of these requirements.⁵⁶

<u>ORDER</u>

Pursuant to section 3 of the NGA, it is ordered that:

A. Sabine Pass Liquefaction, LLC and Sabine Pass Liquefaction Stage V, LLC (collectively, Sabine Pass) are jointly authorized to export domestically produced LNG by vessel from the proposed Sabine Pass Stage 5 Expansion Project (Trains 7 and 8) (Stage 5 Project), to be located at and adjacent to the existing Sabine Pass LNG (SPLNG) Terminal in Cameron Parish, Louisiana. The volume authorized in this Order is equivalent to 899.46 Bcf/yr of natural gas for a 25-year term to commence on the date of first commercial export

⁵⁵ Id. § 590.202(e) (allowing confidential treatment of information in accordance with 10 C.F.R. § 1004.11).
⁵⁶ Sabine Pass states that, under its existing contracts for the export of LNG associated with the increased volumes provided by the Stage 5 Project, "these volumes are not required to be produced specifically from the Stage 5 project facilities as the SPLNG Terminal operates on an integrated basis." App. at 12; see also supra at 9. Nonetheless, as requested by Sabine Pass, DOE finds that this authorization "may be utilized in conjunction with any long-term contract associated with the long-term export of LNG and any long-term supply contracts filed (or to be filed) with DOE, as long as the volume and term of the contract are consistent with the scope of this authorization." Sabine Pass Liquefaction, LLC, DOE/FE Order No. 2833-B, et al., at 4 (Ordering Para. B), supra at 9 & note 46.

from the Stage 5 Project. Sabine Pass is authorized to export this LNG on its own behalf and as agent for other entities that hold title to the LNG, pursuant to one or more contracts of any duration.⁵⁷

B. This LNG may be exported to Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore, and to any nation with which the United States subsequently enters into a FTA requiring national treatment for trade in natural gas, provided that the destination nation has the capacity to import LNG via oceangoing vessels. DOE currently identifies FTA countries at:

https://www.energy.gov/fecm/how-obtain-authorization-import-andor-export-natural-gas-andlng.

C. Sabine Pass shall ensure that all transactions authorized by this Order are permitted and lawful under U.S. laws and policies, including the rules, regulations, orders, policies, and other determinations of the Office of Foreign Assets Control of the United States Department of the Treasury and the Federal Energy Regulatory Commission (FERC). Failure to comply with this requirement could result in rescission of this authorization and/or other civil or criminal remedies.

D. (i) Sabine Pass shall file, or cause others to file, with the U.S. Department of Energy, Office of Fossil Energy and Carbon Management, Office of Resource Sustainability, Office of Regulation, Analysis, and Engagement (FE-34) a non-redacted copy of <u>all executed</u> <u>long-term contracts associated with the long-term export of LNG</u> from the Stage 5 Project on

⁵⁷ See U.S. Dep't of Energy, Including Short-Term Export Authority in Long-Term Authorizations for the Export of Natural Gas on a Non-Additive Basis; Policy Statement, 86 Fed. Reg. 2243 (Jan. 12, 2021).

its own behalf or as agent for other entities. The non-redacted copies must be filed within 30 days of their execution and may be filed under seal, as described above.

(ii) Sabine Pass shall file, or cause others to file, with the Office of Regulation, Analysis, and Engagement a non-redacted copy of <u>all executed long-term contracts associated</u> <u>with the long-term supply of natural gas</u> to the Stage 5 Project. The non-redacted copies must be filed within 30 days of their execution and may be filed under seal, as described above.

E. Sabine Pass is permitted to use its authorization to export LNG as agent for other LNG title-holders (Registrants), after registering those entities with DOE. Registration materials shall include an acknowledgement and agreement by the Registrant to supply Sabine Pass with all information necessary to permit Sabine Pass to register that person or entity with DOE, including: (1) the Registrant's agreement to comply with this Order and all applicable requirements of DOE's regulations at 10 C.F.R. Part 590, including but not limited to destination restrictions; (2) the exact legal name of the Registrant, state/location of incorporation/registration, primary place of doing business, and the Registrant's ownership structure, including the ultimate parent entity if the Registrant is a subsidiary or affiliate of another entity; (3) the name, title, mailing address, e-mail address, and telephone number of a corporate officer or employee of the Registrant to whom inquiries may be directed; and (4) within 30 days of execution, a copy of any long-term contracts not previously filed with DOE, described in Ordering Paragraph D of this Order.

Any change in the registration materials—including changes in company name, contact information, length of the long-term contract, termination of the long-term contract, or other relevant modification—shall be filed with DOE within 30 days of such change(s).

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F. Sabine Pass, or others for whom Sabine Pass acts as agent, shall include the

following provision in any agreement or other contract for the sale or transfer of LNG

exported pursuant to this Order:

Customer or purchaser acknowledges and agrees that it will resell or transfer LNG purchased hereunder for delivery only to countries identified in Ordering Paragraph B of DOE/FECM Order No. 5181, issued October 17, 2024, in Docket No. 24-27-LNG, and/or to purchasers that have agreed in writing to limit their direct or indirect resale or transfer of such LNG to such countries. Customer or purchaser further commits to cause a report to be provided to Sabine Pass Liquefaction, LLC and Sabine Pass Liquefaction Stage V, LLC that identifies the country (or countries) into which the LNG was actually delivered, and to include in any resale contract for such LNG the necessary conditions to ensure that Sabine Pass Liquefaction, LLC and sabine Pass Liquefaction Stage V, LLC are made aware of all such actual destination countries.

G. Within two weeks after the first export of domestically produced LNG from the

Stage 5 Project occurs, Sabine Pass shall provide written notification of the date of first export to DOE.

H. Sabine Pass shall file with the Office of Regulation, Analysis, and Engagement, on a semi-annual basis, written reports describing the progress of the proposed Stage 5 Project. The reports shall be filed on or by April 1 and October 1 of each year, and shall include information on the progress of the Stage 5 Project, the date the Stage 5 Project is expected to be operational, and the status of any long-term supply and export contracts associated with the volume of LNG authorized for export from the Stage 5 Project.

I. With respect to any change in control of the authorization holder, Sabine Pass must comply with DOE Procedures for Change in Control Affecting Applications and Authorizations to Import or Export Natural Gas.⁵⁸ For purposes of this Ordering Paragraph, a "change in control" shall include any change, directly or indirectly, of the power to direct the management or policies of Sabine Pass, whether such power is exercised through one or more intermediary companies or pursuant to an agreement, written or oral, and whether such power is established through ownership or voting of securities, or common directors, officers, or stockholders, or voting trusts, holding trusts, or debt holdings, or contract, or any other direct or indirect means.⁵⁹

J. Monthly Reports: With respect to the LNG exports authorized by this Order, Sabine Pass shall file with the Office of Regulation, Analysis, and Engagement, within 30 days following the last day of each calendar month, a report on Form FE-746R indicating whether exports of LNG have been made. The first monthly report required by this Order is due not later than the 30th day of the month following the month of first export. In subsequent months, if exports have not occurred, a report of "no activity" for that month must be filed. If exports have occurred, the report must provide the information specified for each applicable activity and mode of transportation, as set forth in the Guidelines for Filing Monthly Reports. These Guidelines are available at: <u>https://www.energy.gov/fecm/guidelines-filing-monthlyreports</u>.

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

K. All monthly report filings on Form FE-746R shall be made to the Office of Regulation, Analysis, and Engagement according to the methods of submission listed on the

⁵⁸ See U.S. Dep't of Energy, Procedures for Changes in Control Affecting Applications and Authorizations to Import or Export Natural Gas, 79 Fed. Reg. 65,541 (Nov. 5, 2014).

⁵⁹ See id. at 65,542.

Form FE-746R reporting instructions available at: <u>https://www.energy.gov/fecm/regulation</u>.

Issued in Washington, D.C., on October 17, 2024.

Amy R. Sweeney Director, Office of Regulation, Analysis, and Engagement Office of Resource Sustainability

APPENDIX

The long-term orders issued by DOE to Sabine Pass, including this Order, are

identified in the following tables:

Table 1: Orders Issued by DOE to Sabine Pass for the Long-Term Export of Domestically Produced LNG from the Sabine Pass LNG Terminal to FTA Countries

Docket No.	Order No.	Date Issued	Trains	Volume (Bcf/yr)
10-85-LNG	2833-В	Sept. 7, 2010, as amended	1-4	803.0
13-30-LNG	3306-С	July 11, 2013, as amended	5-6	101.0
13-42-LNG	3307-С	July 12, 2013, as amended	5-6	88.3
13-121-LNG	3384-C	Jan. 22, 2014, as amended	5-6	314.0
14-92-LNG	3595-В	Feb. 12, 2015, as amended	1-4	203.0
19-125-LNG	4520-В	Apr. 14, 2020, as amended	1-6	152.64
24-27-LNG	5181	Oct. 17, 2024	7-8	899.46
Total FTA Volume				2561.4

Table 2: Orders Issued by DOE to Sabine Pass for the Long-Term Export of
Domestically Produced LNG from the Sabine Pass LNG Terminal to
Non-FTA Countries

Docket No.	Order No.	Date Issued	Trains	Volume (Bcf/yr)
10-111-LNG	2961-Е	Aug. 7, 2012, as amended	1-4	803.0
13-30-LNG 13-42-LNG 13-121-LNG	3669-D	June 26, 2015, as amended	5-6	503.3
15-63-LNG	3792-С	Mar. 11, 2016, as amended	1-4	203.0
19-125-LNG	4800	Mar. 16, 2022	1-6	152.64
Total Non-FTA Volume				1,661.94