UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

CONSTELLATION LNG, LLC

DOCKET NO. 24-102-LNG

ORDER GRANTING LONG-TERM AUTHORIZATION TO IMPORT LIQUEFIED NATURAL GAS FROM THE REPUBLIC OF TRINIDAD AND TOBAGO AND VARIOUS OTHER INTERNATIONAL SOURCES BY VESSEL

DOE/FECM ORDER NO. 5210

NOVEMBER 22, 2024

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

On September 6, 2024, Constellation LNG, LLC (Constellation LNG) filed an application (Application)¹ with the Department of Energy's (DOE) Office of Fossil Energy and Carbon Management (FECM) under section 3 of the Natural Gas Act (NGA).² Constellation LNG requests long-term authorization to import liquefied natural gas (LNG) from the Republic of Trinidad and Tobago and other international sources by vessel. Constellation LNG seeks to import this LNG in a total volume equivalent to 50 billion cubic feet (Bcf) of natural gas for a 66-month term from December 1, 2024, through June 1, 2030.³

Constellation LNG is a Delaware limited liability company with its principal place of business in Baltimore, Maryland. Constellation LNG is wholly-owned and controlled by Constellation Energy Corporation.⁴

Constellation LNG proposes to purchase all of the imported LNG under a long-term confirmation dated August 1, 2024, which incorporates the terms and conditions of a Master Delivered Ex-Ship (DES) LNG Sale and Purchase Agreement between the parties dated October 10, 2022 (collectively, the Agreement).⁵ Constellation LNG states that it will sell the imported LNG as vaporized natural gas or LNG liquid to customers in New England (including local natural gas distribution companies) to provide fuel reliability and security.⁶

 ¹ Constellation LNG, LLC, Application for Long-Term Authority to Import Liquefied Natural Gas by Vessel, Docket No. 24-102-LNG (Sept. 6, 2024) (public redacted version) [hereinafter Constellation LNG App.].
² 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.

³ Constellation LNG App. at 1.

⁴*Id*. at 2.

⁵ *Id.* at 3. As Appendix C to the Application, Constellation LNG provides a copy of the Agreement under seal. ⁶ *See* Constellation LNG App. at 3-4 & n.3. Additionally, we note that, in DOE/FECM Order No. 5106, DOE authorized Constellation LNG to import LNG from various international sources by vessel and to export LNG to Canada by vessel in a total volume equivalent to 100 Bcf of natural gas for a two-year term that commenced on May 15, 2024, and extends through May 14, 2026.

The point of entry into the United States will be the Everett Marine Terminal located in Everett, Massachusetts. Constellation LNG states that the Everett Marine Terminal is currently owned and operated by its affiliate, Distrigas of Massachusetts LLC.⁷ Under the terms of the Agreement, "the delivery term covers the period for the delivery of LNG cargoes for the winter season and for the summer season of each year beginning on December 1, 2024 and running through March 31, 2030."⁸

II. <u>FINDINGS</u>

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 free trade agreement 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.⁹ Constellation LNG's Application to import LNG from the Republic of Trinidad and Tobago and various other international sources by vessel falls within section 3(c), as amended. Therefore, DOE grants the requested authorization without modification or delay.

<u>ORDER</u>

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Constellation LNG is authorized to import LNG from the Republic of Trinidad and Tobago and various other international sources in a total volume equivalent to 50 Bcf of natural gas. This authorization shall be effective for a 66-month term beginning on December 1, 2024,

⁷ Constellation LNG App. at 4; *see also id.* at 2.

⁸ *Id*. at 4.

⁹ 15 U.S.C. § 717b(c).

and extending through June 1, 2030.

B. This LNG may be imported by vessel at any LNG receiving facility in the United States and its territories.

C. LNG imports that require increased security measures from the United States Coast Guard (USCG) and/or other branches of the Department of Homeland Security in place now or added in the future shall comply with those measures on a shipment by shipment basis to the satisfaction of the USCG. Such measures may include periodic boarding or examination of the vessel by the USCG at the load port, while the vessel is underway, at any time during the voyage, and before and during discharge of the cargo while at the discharge port, as well as other enhanced security measures.

D. Monthly Reports: With respect to the imports of LNG authorized by this Order, Constellation LNG shall file with the U.S. Department of Energy (FE-34), Office of Fossil Energy and Carbon Management, 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 imports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that month must be filed. If imports have occurred, the report must provide the information specified for each applicable activity, as set forth in the Guidelines for Filing Monthly Reports. These Guidelines are available at: <u>https://www.energy.gov/fecm/guidelines-filing-monthly-reports</u>. (Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

E. The first monthly report required by this Order is due not later than January 30, 2025, and should cover the reporting period from December 1, 2024, through December 31, 2024.

F. All monthly report filings on Form FE-746R shall be made to the Office of

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Regulation, Analysis, and Engagement according to the methods of submission listed on the

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

Issued in Washington, D.C., on November 22, 2024.

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