UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

JAX LNG, LLC)))	DOCKET NO. 24-73-LNG

ORDER GRANTING LONG-TERM AUTHORIZATION
TO EXPORT LIQUEFIED NATURAL GAS TO FREE TRADE AGREEMENT NATIONS,
AND AUTHORIZING SMALL-SCALE EXPORTS OF LIQUEFIED NATURAL GAS

DOE/FECM ORDER NO. 5233

DECEMBER 23, 2024

I. INTRODUCTION

On July 25, 2024, JAX LNG, LLC (JAX) filed an Application¹ 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 requesting long-term, multi-contract authorization to export domestically produced liquefied natural gas (LNG).³ On December 20, 2024, JAX filed a clarification to the Application concerning the start of its requested authorization.⁴ JAX requests authorization to export LNG as follows:

- (i) Under section 3(c) of the NGA, to any country with which the United States has, or in the future may enter into, a free trade agreement (FTA) requiring national treatment for trade in natural gas (FTA countries),⁵ and
- (ii) Under section 3(a) of the NGA, to any country with which trade is not prohibited by United States law or policy (non-FTA countries).⁶

JAX states that its proposed non-FTA exports would qualify as "small-scale natural gas exports" under DOE's regulations at 10 C.F.R. §§ 590.102(p) and 590.208(a), and therefore should be deemed to be consistent with the public interest under NGA section 3(a).⁷

¹ JAX LNG, LLC, Application for Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas to Free-Trade Agreement and Non-Free Trade Agreement Nations, Docket No. 24-73-LNG (July 25, 2024) [hereinafter App.].

² 15 U.S.C. § 717b. The authority to regulate the imports and exports of natural gas, including liquefied natural gas (LNG), 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 JAX also requests authority to engage in short-term exports of LNG. See App. at 1 n.3, 4. As JAX notes, long-term authorizations issued by DOE now include authority to export the same approved volume of LNG pursuant to short-term contracts (*i.e.*, transactions with terms of less than two years) 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, 86 Fed. Reg. 2243 (Jan. 12, 2021); see also infra § VII (Ordering Para. A).

⁴ Email from J. Patrick Nevins, Counsel for JAX LNG, LLC, to Jennifer Wade, DOE/FECM, Docket No. 24-73-LNG (Dec. 20, 2024) [hereinafter Clarification to App.].

⁵ 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.

⁶ *Id.* § 717b(a).

⁷ App. at 2; *see also* U.S. Dep't of Energy, Small-Scale Natural Gas Exports; Final Rule, 83 Fed. Reg. 35,106 (July 25, 2018) [hereinafter Small-Scale Rule].

JAX seeks to export LNG in a total volume equivalent to 51.75 billion cubic feet (Bcf) per year (Bcf/yr), or 0.14 Bcf per day (Bcf/d), of natural gas.⁸ JAX states that it seeks to export this LNG in two ways. First, JAX states that it may load LNG into International Organization for Standardization (ISO) containers to be transported from the JAX LNG facility (located near Jacksonville, Florida) by truck or barge, then loaded onto container ships or roll-on/roll-off ocean-going carriers for export at the Port of Jacksonville or other ports capable of handling ISO containers using existing facilities. JAX states that LNG sourced from other facilities "similarly will be transported" as discussed herein.⁹ In Appendix C to the Application, JAX identifies 14 existing facilities from which it seeks to obtain LNG for export, including the JAX LNG facility (collectively, the Facilities).¹⁰

Second, JAX states that it may load "bunkering vessels that may be used to transfer LNG for marine fuel to cargo ships and cruise ships in foreign ports." JAX notes that it has existing operations in which it loads LNG onto bunkering vessels, which it describes as "relatively small vessels that perform ship-to-ship transfers of LNG for use as marine fuel." In support of this request, JAX "requests that DOE clarify whether LNG transferred by a bunkering vessel at an international port of call should be treated as an export, whether such treatment is not required, or otherwise provide guidance regarding how bunkering operations should be reported to DOE." DOE addresses this request below.

JAX asks that its long-term authorization commence upon the date of an order granting

⁸ App. at 1, 4.

⁹ *Id.* at 6; see also infra § II ("Liquefaction Facilities and Transport").

¹⁰ Id. at 6 & Appendix C ("List of Potential LNG Sources").

¹¹ *Id*. at 6.

¹² *Id.* at 6-7.

¹³ *Id*. at 7.

the authorization¹⁴ or, in the alternative, upon the date of first commercial export,¹⁵ and extend through December 31, 2050.¹⁶ Additionally, JAX requests authority to export the LNG on its own behalf and as agent for other entities that hold title to the LNG at the time of export.¹⁷

In this consolidated Order, DOE grants JAX's Application and authorizes the requested export volume of 51.75 Bcf/yr (0.14 Bcf/d) to both FTA and non-FTA countries on a non-additive basis. Specifically, DOE finds that the FTA portion of the Application falls within NGA section 3(c), and we therefore grant the requested FTA authorization without modification or delay. DOE also finds that the proposed non-FTA exports qualify as "small-scale natural gas exports" under the criteria set forth in 10 C.F.R. § 590.102(p). Accordingly, we grant the small-scale portion of the Application under 10 C.F.R. § 590.208(a).

This Order, however, does not provide JAX with an independent right to purchase or load LNG at any of the Facilities. DOE takes no position on the commercial arrangements that may be necessary for JAX to effectuate the export of LNG approved in this Order.

II. BACKGROUND

Applicant. JAX is a Delaware limited liability corporation with its principal place of business in Glen Allen, Virginia. JAX states that it is jointly owned by Pivotal LNG, LLC (Pivotal) and Seaside LNG, LLC (Seaside), each owning half of JAX's shares. Pivotal is a Delaware limited liability corporation with the same business office location as JAX, and is a majority-owned and controlled subsidiary of Berkshire Hathaway Energy Gas Transmission and

¹⁴ App. at 5.

¹⁵ Clarification to App., *supra* note 4.

¹⁶ App. at 4-5.

¹⁷ *Id*. at 2.

¹⁸ 15 U.S.C. § 717b(c).

¹⁹ App. at 2.

²⁰ *Id*. at 3.

Storage.²¹ According to JAX, Pivotal operates three facilities that produce LNG, including the JAX facility.²² Seaside is a Delaware limited liability corporation with its principal offices in Spring, Texas.²³

<u>Liquefaction Facilities</u>. JAX states that the LNG produced at the JAX facility will be primarily used for the requested exports.²⁴ JAX states that its facility is located at Dames Point along the St. Johns River near Jacksonville, Florida.²⁵ According to JAX, the JAX facility has 360,000 gallons per day of liquefaction capacity, 4 million gallons of LNG storage capacity, and both on-road and marine-loading capabilities.²⁶

JAX states that, to ensure "maximum flexibility to meet the needs of its customers," it also may purchase LNG from the two other LNG facilities operated by Pivotal (the Trussville LNG facility, located in Trussville, Alabama, and the Towanda LNG facility, located in Wyalusing, Pennsylvania), as well as other facilities that sell LNG. In Appendix C of the Application, JAX lists the 14 Facilities from which it proposes to obtain LNG for export.²⁷

<u>Proposed Transport and Export of LNG</u>. As indicated above, JAX requests authority to export LNG in two ways:

(i) <u>ISO Containers Transported by Vessel</u>

JAX proposes to load LNG into ISO containers to be transported from the JAX facility by truck or barge to the Port of Jacksonville (or other port). The ISO containers then will be loaded onto container ships or roll-on/roll-off ocean-going carriers for export.²⁸

²¹ *Id.* at 2-3.

²² *Id*. at 3.

²³ *Id*.

²⁴ See id. at 5.

²⁵ App. at 3.

²⁶ *Id.* at 3 (providing additional detail about the JAX LNG facility, including that it is not regulated by the Federal Energy Regulatory Commission).

²⁷ *Id.* at 5-6.

²⁸ *Id*. at 6.

If, however, the LNG is sourced from one of the other Facilities listed in Appendix C of the Application, JAX states the LNG will be transported by road using Department of Transportation-approved highway trailers, in either LNG tanker trucks or ISO containers: (1) to JAX's facility, where the LNG will be offloaded into JAX's LNG storage facilities and commingled with LNG produced by JAX, or (2) to nearby existing ports handling ISO containers.²⁹

(ii) Ship-to-Ship Transfer Via Bunkering Vessel

Additionally, JAX states that it may load bunkering vessels to transfer LNG to "cargo ships and cruise ships in foreign ports" for use as marine fuel.³⁰ According to JAX, this ship-to-ship transfer by the bunkering vessels typically occurs in U.S. or international waters, but may occur in "international ports of call in a foreign nation."³¹

Source of Supply. JAX states that its facility receives feed gas delivered off of the local distribution system of Peoples Gas System (a division of Tampa Electric Company). JAX states that the Peoples Gas System, in turn, receives natural gas from the integrated interstate pipeline grid, which provides access to major sources of natural gas supply produced in the Gulf Coast region and, through other pipeline interconnections, from other producing regions of the country. 33

Business Model. JAX 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.³⁴ According to JAX, the LNG exports likely will be destined for Caribbean, Central American, or South American

²⁹ *Id*.

³⁰ App. at 6.

³¹ *Id*. at 7.

³² *Id.* at 5.

³³ *Id*.

³⁴ *Id*.

countries.³⁵ JAX states that it will file, or cause to be filed, all long-term commercial agreements, once executed, in accordance with DOE's established policy, and will comply with all DOE requirements for exporters and agents, including registration requirements.³⁶

III. STANDARD OF REVIEW

A. FTA Authorization

Section 3(c) of the NGA was amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). In relevant part, applications to export natural gas, including LNG, to countries with which there is an FTA in effect requiring national treatment for trade in natural gas "shall be deemed to be consistent with the public interest" and granted "without modification or delay."³⁷

B. Small-Scale Authorization

DOE defines a "small-scale natural gas export" as an export of natural gas, including LNG, to a non-FTA country that meets the following two criteria:

- (1) The application proposes to export natural gas in a volume up to and including 51.75 billion cubic feet per year, and
- (2) DOE's approval of the application does not require an environmental impact statement (EIS) or an environmental assessment (EA) under the National Environmental Policy Act, 42 U.S.C. 4321 *et seq.* ³⁸

Small-scale natural gas exports are deemed to be consistent with the public interest under NGA section 3(a).³⁹ Therefore, DOE will issue an export authorization upon receipt of a complete application to conduct small-scale natural gas exports.⁴⁰

³⁶ *Id*. at 5.

³⁵ App. at 6.

³⁷ 15 U.S.C. § 717b(c).

³⁸ 10 C.F.R. § 590.102(p).

³⁹ *Id.* § 590.208(a).

⁴⁰ *Id.*; see also Small-Scale Rule, supra note 7.

IV. DISCUSSION AND CONCLUSIONS

A. Exports of LNG Transferred by Bunkering Vessel for Use as Marine Fuel

As a preliminary matter, JAX has requested clarification as to whether LNG transferred from a bunkering vessel to another ship (specifically, a cargo ship or cruise ship) for use as marine fuel would be considered an "export" under the NGA, and thus require authorization. 41

DOE's practice to date has been that a ship-to-ship transfer of LNG from a bunkering vessel to another ship does not constitute an "export" under NGA section 3⁴² if the receiving ship is registered in the United States (*i.e.*, a U.S.-flag ship). DOE has reasoned that, because the NGA does not define "export" as a term of art, Congress is presumed to have intended the ordinary usage of that term in NGA section 3(a).⁴³ The definition of "export," in turn, ordinarily contains both the elements of shipment from the United States and subsequent entry into commerce at the destination, where the destination is a foreign country.⁴⁴ Accordingly, based on the facts presented by JAX, DOE finds that a ship-to-ship transfer of U.S.-sourced LNG—whether the transfer occurs in U.S. waters, international waters, or at an international port in a foreign country—will constitute an "export" under NGA section 3 if the receiving ship is registered to a foreign country.⁴⁵

Likewise, to the extent that JAX's existing operations involve "load[ing] LNG onto

⁴² 15 U.S.C. § 717b.

⁴¹ See App. at 7.

⁴³ See, e.g., 15 U.S.C. § 717a. DOE's regulations governing the export of natural gas likewise do not define "export." See 10 C.F.R. § 590.102.

⁴⁴ See, e.g., Webster's Revised Unabridged Dictionary (1913) (definition of "export" is "[t]o carry or send abroad, or out of a country, especially to foreign countries, as merchandise or commodities in the way of commerce"), https://www.websters1913.com/words/Export.

⁴⁵ For this reason, and without more specificity, we cannot agree with JAX's statement that "the transfer by the bunkering vessels ... in U.S. or international waters" "typically" would not constitute an export under NGA section 3. App. at 7. As indicated, we conclude for purposes of this Order that the registration (or "flag") of the ship receiving the U.S.-sourced LNG from the bunkering vessel determines whether the LNG constitutes an "export" under NGA section 3—not the physical location where the ship-to-ship transfer occurs.

bunkering vessels ... that perform ship-to-ship transfers of LNG for use as marine fuel,"⁴⁶ this activity falls under DOE's jurisdiction (and thus would need to be reported pursuant to this Order going forward) if the receiving ship is registered to a foreign country, as set forth above.

B. FTA Authorization

We find that the FTA portion of JAX's Application falls within NGA section 3(c), and therefore we grant the requested FTA authorization without modification or delay.⁴⁷

C. Small-Scale Authorization

We find that the non-FTA portion of the Application meets the criteria for small-scale exports of LNG, set forth in 10 C.F.R. § 590.102(p). First, JAX requests authority to export LNG to non-FTA countries in a volume equivalent to 51.75 Bcf/yr of natural gas, which is consistent with the limit in the regulation. Second, DOE's National Environmental Policy Act (NEPA) procedures provide for a categorical exclusion if neither an EIS nor an EA is required—specifically, categorical exclusion B5.7 (10 C.F.R. Part 1021, Subpart D, Appendix B5), *Export of natural gas and associated transportation by marine vessel*. ⁴⁸ On December 23, 2024, DOE issued a categorical exclusion for the non-FTA portion of JAX's Application under this provision. ⁴⁹ Accordingly, pursuant to 10 C.F.R. § 590.208(a), the proposed small-scale exports

⁴⁶ App. at 6-7.

⁴⁷ DOE further finds that the requirements 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 (other than applications for small-scale exports of natural gas, *see* 10 C.F.R. § 590.208(a)).

⁴⁸ See 10 C.F.R. Part 1021, Subpt. D, App. B, Categorical Exclusion B5.7.

⁴⁹ U.S. Dep't of Energy, Categorical Exclusion Determination, JAX LNG, LLC, Docket No. 24-73-LNG (Dec. 23, 2024). While this Categorical Exclusion Determination relies on DOE's own NEPA regulations, it also cites NEPA regulations issued by the Council on Environmental Quality (CEQ). DOE is aware of the decision in *Marin Audubon Soc'y v. Fed. Aviation Admin.*, No. 23-1067 (D.C. Cir. Nov. 12, 2024). To the extent that a court may conclude that the CEQ regulations implementing NEPA are not judicially enforceable or binding on this agency action, DOE has nonetheless elected to follow those regulations at 40 C.F.R. Parts 1500-1508, in addition to DOE's procedures/regulations implementing NEPA at 10 C.F.R. Part 1021, to meet its obligations under NEPA, 42 U.S.C. §§ 4321 *et seq.*

are deemed to be consistent with the public interest under NGA section 3(a), and DOE grants the requested authorization.

V. FINDINGS

Based on the findings and conclusions herein, DOE grants the Application subject to the Terms and Conditions and Ordering Paragraphs set forth below.

VI. TERMS AND CONDITIONS

A. Term of the Authorization

JAX requests that its FTA and small-scale non-FTA authorizations commence on the date of an order granting such authorizations or, in the alternative, upon the date of first commercial export, and extend through December 31, 2050.⁵⁰ Consistent with DOE's usual practice for such orders, the term for this authorization will commence on the date of first commercial export and extend through December 31, 2050.

B. Commencement of Operations for Small-Scale Authorization

DOE will add as a condition of the small-scale authorization that JAX must commence commercial LNG export operations no later than two years from the date of issuance of this Order. Because this Order allows for exports to begin from existing facilities, we find that JAX should be able to commence small-scale exports of LNG immediately.

C. FTA Countries for FTA Authorization

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

⁵⁰ See id. at 4-5, 10; Clarification to App.

D. Transfer, Assignment, or Change in Control

DOE's natural gas regulations prohibit authorization holders from transferring or assigning authorizations to import or export natural gas without specific authorization by the Assistant Secretary for Fossil Energy and Carbon Management. DOE has found that this requirement applies to any change in control of the authorization holder. This condition was deemed necessary to ensure that DOE will be given an adequate opportunity to assess the public interest impacts of such a transfer or change.

DOE construes a change in control to mean a change, directly or indirectly, of the power to direct the management or policies of an entity, 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. ⁵² A rebuttable presumption that control exists will arise from the ownership or the power to vote, directly or indirectly, 10% or more of the voting securities of such entity. ⁵³

E. Agency Rights

JAX 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 has 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

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⁵¹ 10 C.F.R. § 590.405.

⁵² 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, 65,542 (Nov. 5, 2014). ⁵³ See id.

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.⁵⁴

To ensure that the public interest is served, this authorization requires that, where JAX proposes to export LNG as agent for other entities that hold title to the LNG (Registrants), it must register those entities with DOE in accordance with the procedures and requirements described herein.

F. Contract Provisions for the Sale or Transfer of LNG to be Exported

DOE will require that JAX file or cause to be filed with DOE any relevant long-term commercial agreements associated with the export of LNG, including agreements pursuant to which JAX intends to export LNG as agent for a Registrant. 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) of DOE's regulations.⁵⁵

In addition, DOE finds that section 590.202(c) of DOE's regulations⁵⁶ requires that JAX file, or cause to be filed, all long-term contracts associated with the long-term supply of natural gas to the JAX LNG facility, whether signed by JAX or the Registrant, within 30 days of their execution.

DOE recognizes that some information in JAX's or a Registrant's long-term commercial agreements associated with the export of LNG, and/or long-term contracts associated with the

⁵⁴ See, e.g., Cameron LNG, LLC, DOE/FE Order No. 3846, Docket No. 15-90-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from Trains 4 and 5 of the Cameron LNG Terminal to Non-Free Trade Agreement Nations, at 128-29 (July 15, 2016); 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 the Freeport LNG Terminal to Free Trade Agreement Nations, at 7-8 (Feb. 10, 2011).

⁵⁵ 10 C.F.R. § 590.202(b).

⁵⁶ *Id.* § 590.202(c).

long-term supply of natural gas to the Facilities, may be commercially sensitive. DOE therefore will provide JAX the option to file or cause to be filed either unredacted contracts, or in the alternative (A) JAX may file, or cause to be filed, long-term contracts under seal, but it also will file 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, destinations, re-sale provisions, and other relevant provisions; and (B) the filing must demonstrate why the redacted information or non-disclosed information should be exempted from public disclosure.⁵⁷

To ensure that DOE destination and reporting requirements included in this 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 this Order shall include an acknowledgement of these requirements.

G. Export Quantity

This Order grants JAX's Application in the full volume of LNG requested, up to the equivalent of 51.75 Bcf/yr of natural gas for FTA and non-FTA countries.

H. Non-Additive Export Volumes

Consistent with DOE's small-scale export regulations, JAX may not treat the FTA and small-scale non-FTA volumes in this Order as additive to one another.

VII. ORDER

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

⁵⁷ Id. § 590.202(e) (allowing confidential treatment of information in accordance with 10 C.F.R. § 1004.11).

A. JAX LNG, LLC (JAX) is authorized by DOE to export domestically produced LNG obtained from any of the 14 Facilities listed in Appendix C of the Application. JAX is authorized to export this LNG in a volume equivalent to 51.75 billion cubic feet per year of natural gas in two ways: (i) in approved ISO containers on vessels, and (ii) loaded into bunkering vessels for transfer as marine fuel to ships in foreign ports. The FTA and small-scale authorizations will commence on the date of first commercial export and extend through December 31, 2050. JAX is authorized to export this LNG on its own behalf and as agent for other entities that hold title to the natural gas, pursuant to one or more contracts of any duration.

B. This Order does not give JAX an independent right to purchase or load LNG from any of the identified Facilities. JAX and each Facility may agree upon contractual terms for JAX's export services, as they deem appropriate. Additionally, this Order does not restrict, through volume limitations or otherwise, any existing or future authorizations issued by DOE for any of the Facilities.⁶¹

C. Exports of LNG under this Order may be exported by vessel to any country (or ship registered to any country) with the capacity to import LNG, and with which trade is not prohibited by U.S. law or policy.

⁵⁸ If, in the future, JAX wishes to obtain LNG for export from facilities other than the 14 facilities listed in Appendix C, it will be required to file with DOE a request to amend this Order to add those facilities. DOE will evaluate that request under the same standards of review discussed above.

⁵⁹ As discussed *supra* § IV.C, the transfer of the authorized LNG from the bunkering vessel into a U.S.-flag ship would not constitute an export under this Order.

⁶⁰ 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, 86 Fed. Reg. 2243 (Jan. 12, 2021).

⁶¹ See BP Energy Co., DOE/FE Order No. 4302, Docket No. 18-69-LNG, Order Granting Blanket Authorization to Export Previously Imported Liquefied Natural Gas by Vessel to Free Trade Agreement and Non-Free Trade Agreement Nations, at 13-14, 19 (Nov. 19, 2018).

- D. For the authorization to non-FTA countries under the Small-Scale Rule, JAX must commence export operations using the Facilities no later than two years from the date of issuance of this Order.
- E. JAX 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 U.S. Department of the Treasury, the Federal Energy Regulatory Commission, and the U.S. Department of Transportation, as applicable. Failure to comply with these requirements could result in rescission of this authorization and/or other civil or criminal penalties.
- F. (i) JAX 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) an unredacted copy of <u>all executed long-term</u> contracts associated with the long-term export of LNG. The unredacted copies must be filed within 30 days of their execution and may be filed under seal, as described above.
- (ii) JAX shall file, or cause others to file, with the Office of Regulation, Analysis, and Engagement a non-reducted copy of all executed long-term contracts associated with the long-term supply of natural gas to the Facilities. The unreducted copies must be filed within 30 days of their execution and may be filed under seal, as described above.
- G. JAX 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 agreement by the Registrant to supply JAX with all information necessary to permit JAX 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 business, 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 F 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 modifications—shall be filed with DOE within 30 days of such change(s).

H. JAX, or others for whom JAX acts as agent, shall include the following provision in any agreement or 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 (or ships registered to countries) identified in Ordering Paragraph C of DOE/FECM Order No. 5233, issued December 23, 2024, in Docket No. 24-73-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 and/or ships registered to such countries. Customer or purchaser further commits to cause a report to be provided to JAX LNG, LLC that identifies the country (or countries) into which the LNG was actually delivered or transferred via a ship-to-ship transfer, and to include in any resale contract for such LNG the necessary conditions to ensure that JAX LNG, LLC is made aware of all such countries and/or ships registered to such countries.

I. Within two weeks after the first export authorized in Ordering Paragraph A occurs, JAX shall provide DOE written notification of the date on which the first export occurred.

J. With respect to any change in control of the authorization holder, JAX must comply with DOE's Procedures for Change in Control Affecting Applications and Authorizations to Import or Export Natural Gas.⁶²

K. Monthly Reports: With respect to the exports authorized by this Order, JAX 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 no 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 https://www.energy.gov/fecm/guidelinesfiling-monthly-reports.

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

L. 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 Form FE-746R reporting instructions available at https://www.energy.gov/fecm/regulation. Issued in Washington, D.C., on December 23, 2024.

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

⁶² See 79 Fed. Reg. at 65,541-42.