



Department of Energy  
Washington, DC 20585

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*Via Email*

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**RE: Statement and Notice of Change in Control**  
Rio Grande LNG, LLC  
Docket No. 15-190-LNG

Dear Ms. Toner, Ms. Johnston, and Mr. Cunningham:

This correspondence constitutes the response of the Department of Energy (DOE), Office of Fossil Energy and Carbon Management (FECM),<sup>1</sup> to the Statement and Notice of Change in Control filed on behalf of your client, Rio Grande LNG, LLC (Rio Grande LNG) on October 31, 2024.<sup>2</sup> Rio Grande LNG provides notice of a change in its upstream ownership, in light of DOE's Change in Control Procedures.<sup>3</sup>

**I. BACKGROUND**

Rio Grande LNG is authorized to export domestically produced liquefied natural gas (LNG) by vessel from the Rio Grande LNG Terminal Project, which is currently under construction in Cameron County, Texas, under the following orders issued by DOE under section 3 of the Natural Gas Act (NGA):<sup>4</sup>

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<sup>1</sup> The Office of Fossil Energy changed its name to the Office of Fossil Energy and Carbon Management on July 4, 2021.

<sup>2</sup> Rio Grande LNG, LLC, Statement and Notice of Change in Control, Docket No. 15-190-LNG (Oct. 31, 2024), <https://www.energy.gov/sites/default/files/2024-11/Rio%20Grande%20DOE%20CIC%20Filing.pdf> [hereinafter Statement].

<sup>3</sup> 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) [hereinafter DOE Change in Control Procedures].

<sup>4</sup> 15 U.S.C. § 717b.

- (i) DOE/FE Order No. 3869,<sup>5</sup> authorizing exports in a volume equivalent to 1,318 billion cubic feet per year (Bcf/yr) of natural gas for a 30-year term to any country with which the United States currently has, or in the future will have, a free trade agreement (FTA) requiring national treatment for trade in natural gas (FTA countries), pursuant to NGA section 3(c);<sup>6</sup> and
- (ii) DOE/FE Order No. 4492, as amended,<sup>7</sup> authorizing exports in a volume equivalent to 1,318 Bcf/yr of natural gas through December 31, 2050, to any other country with which trade is not prohibited by U.S. law or policy (non-FTA countries), pursuant to NGA section 3(a).<sup>8</sup>

Under these authorizations, the FTA and non-FTA volumes are not additive.

## **II. RIO GRANDE LNG STATEMENT**

### **A. Description of Change in Corporate Ownership**

In the Statement, Rio Grande LNG states that, by means of a transaction (Transaction) that closed on October 1, 2024, its upstream ownership structure has changed.

According to Rio Grande LNG, following the consummation of the Transaction, BlackRock, Inc. (BlackRock), a publicly traded investment management firm domiciled in the United States, acquired 100% of the limited liability company interests in Global Infrastructure Management, LLC (GIM), a global independent infrastructure fund manager headquartered in New York. Rio Grande LNG states that GIM indirectly owns GIP V Velocity Acquisition Partners, L.P. (GIP V Velocity), an indirect upstream owner of a minimum of 46.12% economic interest in Rio Grande LNG Intermediate Holdings, LLC (RGIH), which, in turn, indirectly owns 100% of Rio Grande LNG. Accordingly, BlackRock now indirectly owns a minimum of 46.12% economic interest in RGIH.<sup>9</sup>

### **B. Public Interest Considerations for Non-FTA Authorization**

Rio Grande LNG asserts that “[n]o aspect of the Transaction will impact DOE/FECM’s prior public interest finding” for its non-FTA authorization.<sup>10</sup> Rio Grande LNG asserts that, although the change in control will result in a modification to its upstream ownership structure, the change in control will have “no substantive impact” on the terms and conditions of its non-FTA

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<sup>5</sup> *Rio Grande LNG, LLC*, DOE/FE Order No. 3869, Docket No. 15-190-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Rio Grande LNG Terminal in Brownsville, Texas, to Free Trade Agreement Nations (Aug. 17, 2016).

<sup>6</sup> 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.

<sup>7</sup> *Rio Grande LNG, LLC*, DOE/FE Order No. 4492, Docket No. 15-190-LNG, Opinion and Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (Feb. 10, 2020), *amended by* DOE/FE Order No. 4492-A (Oct. 21, 2020) (extending export term).

<sup>8</sup> 15 U.S.C. § 717b(a).

<sup>9</sup> Statement at 3.

<sup>10</sup> *Id.* at 4.

authorization.<sup>11</sup> Rio Grande LNG states that “[o]nly the ownership of GIM is being modified as a result of the Transaction,” and there are no modifications to RGIH’s ownership of Rio Grande LNG.<sup>12</sup> Rio Grande LNG adds that “pursuant to the terms of the Transaction, the pre-Transaction management team of GIM continues to manage the key strategic direction, operations, and activities of the GIM-sponsored investment vehicles, including GIP V Velocity.”<sup>13</sup>

### III. DISCUSSION AND CONCLUSIONS

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.<sup>14</sup> 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.<sup>15</sup>

Rio Grande LNG acknowledges, and we find, that the change in its upstream ownership resulting from the Transaction described above constitutes a change in control under DOE’s Change in Control Procedures.<sup>16</sup>

#### A. FTA Export Authorization

DOE’s Change in Control Procedures provide that, upon receipt of a statement of change in control relating to existing FTA export authorizations, DOE will give immediate effect to the change in control and will take no further action.<sup>17</sup> Accordingly, the change in control described above has taken effect insofar as it relates to Rio Grande LNG’s FTA authorization in DOE/FE Order No. 3869.

#### B. Non-FTA Export Authorization

DOE’s Change in Control Procedures state that, with respect to existing non-FTA authorizations, DOE will give effect to the change in control and will publish a notice of the change in the *Federal Register*.<sup>18</sup> If no interested person protests the change in control and DOE takes no action on its own motion, the amendment to the existing non-FTA authorization will be deemed granted 30 days after publication in the *Federal Register*.<sup>19</sup>

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<sup>11</sup> *Id.*

<sup>12</sup> *Id.* at 3.

<sup>13</sup> *Id.*

<sup>14</sup> See DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

<sup>15</sup> *Id.*

<sup>16</sup> See Statement at 1.

<sup>17</sup> DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

<sup>18</sup> See *id.*

<sup>19</sup> *Id.*

Consistent with these procedures, DOE published a notice of Rio Grande LNG's change in control in the *Federal Register* on November 22, 2024 (Notice).<sup>20</sup> DOE invited protests, motions to intervene, and written comments to be filed no later than December 9, 2024.<sup>21</sup> DOE received no filings in response to the Notice. Because more than 30 days have passed since the Notice was published in the *Federal Register*, the change in control with respect to Rio Grande LNG's non-FTA authorization, DOE/FE Order No. 4492, as amended, is deemed granted. No further action is required.

Sincerely,

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

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<sup>20</sup> U.S. Dep't of Energy, Change in Control; Rio Grande LNG, LLC, 89 Fed. Reg. 92,672 (Nov. 22, 2024).

<sup>21</sup> *Id.*