UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

)))	DOCKET NO. 24-73-LNG
)))

NOTICE PROVIDING FOR FURTHER CONSIDERATION OF REQUEST FOR REHEARING AND CLARIFICATION

FEBRUARY 21, 2025

On December 23, 2024, the U.S. Department of Energy's (DOE) Office of Fossil Energy and Carbon Management (FECM) issued DOE/FECM Order No. 5233 (Order), authorizing JAX LNG, LLC (JAX) to export liquefied natural gas (LNG) obtained from any of the 14 Facilities listed in Appendix C of its Application¹ in a volume equivalent to 51.75 billion cubic feet per year of natural gas, pursuant to section 3 of the Natural Gas Act (NGA).² Under the Order, JAX is authorized to export this LNG in two ways: (i) in approved International Organization for Standardization (ISO) containers on vessels, and (ii) loaded into bunkering vessels for transfer as marine fuel to ships in foreign ports.³ DOE authorized JAX to export this LNG 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),⁴ and to any other country with which trade is not prohibited by U.S. law or policy (non-FTA countries).⁵ As relevant here, on January 22, 2025, JAX submitted a Request for Rehearing and Clarification of DOE/FECM Order No. 5233 that "focuses on DOE's discussion and holding ... regarding the transfer of LNG to a ship for use as a marine fuel, specifically when transferred from a bunkering vessel."

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).
² 15 U.S.C. § 717b.

³ JAX LNG, LLC, DOE/FECM Order No. 5233, 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 (Dec. 23, 2024). In this Order, DOE concluded that the 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. However, the transfer of the authorized LNG from the bunkering vessel into a U.S.-flag ship would not constitute an export. See id. at 8-9 & n.45, 14 n.59.

⁴ 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.

⁵ 15 U.S.C. § 717b(a).

⁶ JAX LNG, LLC, Request for Rehearing and Clarification, DOE/FECM Order No. 5233, Docket No. 24-73-LNG, at 1 (Jan. 22, 2025).

Unless DOE acts upon a request for rehearing within 30 days after it is filed, the request may be deemed to have been denied.⁷ In this proceeding, JAX's Request for Rehearing and Clarification will be further considered and addressed in an order expected to be issued by February 28, 2025. Consistent with NGA section 19(a), DOE may modify or set aside DOE/FECM Order No. 5233, in whole or in part, in such manner as it shall deem proper until the record in this proceeding is filed in a court of appeals.⁸

Issued in Washington, D.C., on February 21, 2025.

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

⁷ 15 U.S.C. § 717r(a); see also 10 C.F.R. § 590.504; Allegheny Defense Project v. FERC, 964 F.3d 1 (D.C. Cir. 2020) (decision on petition for rehearing en banc).

⁸ 15 U.S.C. § 717r(a); see also Alleghany Defense Project, 964 F.3d at 4-5, 16-17.