

**JOSEPH H. FAGAN**

Attorney at Law

555 11th Street NW

Washington, DC 20004-1300

T: (202) 218-3901 F: (202) 354-5320

jfagan@daypitney.com

March 28, 2025

Ms. Amy Sweeney  
U.S. Department of Energy  
Office of Fossil Energy and Carbon Management  
Room 3E-052, FE-34  
Forrestal Building  
1000 Independence Avenue SW  
Washington, DC 20585

**RE: Sapphire Gas Solutions, DOE/FECM Docket No. 24-57-LNG  
Application to Amend Long-Term and Short-Term Authorization to Make  
Small-Scale Exports of Liquefied Natural Gas to Free Trade Agreement and  
Non-Free Trade Agreement Countries**

Dear Ms. Sweeney:

Enclosed for filing is the Application of Sapphire Gas Solutions (“Sapphire”) to amend Order No. 5186 that granted Sapphire authorization to export up to 51.75 Bcf per year of liquefied natural gas (“LNG”) to (1) any country with which the United States currently has a free trade agreement requiring national treatment for trade in natural gas (“FTA countries”); and (2) any country with which the United States does not have a free trade agreement requiring national treatment for trade in natural gas with which trade is not prohibited by United States law or policy (“Non-FTA countries”), for a term ending December 31, 2050.<sup>1</sup>

Specifically, Sapphire seeks an amendment to add additional facilities in the United States from which it seeks to source LNG for export in Appendix C of the original Application. Further, Sapphire seeks authorization to export from the Port of Houston, Texas and Port Everglades, Florida in addition to the Port of Miami, Florida.

As there are no other changes requested, including to the quantity of natural gas that Sapphire would be permitted to export, the requested amendment would not change Sapphire’s qualification under the “small scale” export provision of the Department of Energy’s regulations.

---

<sup>1</sup> *Sapphire Gas Solutions*, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations, and Long-Term Authorization for Small-Scale Exports of Liquefied Natural Gas, DOE/FECM Order No. 5186 at 10 (Oct. 21, 2024).

March 28, 2025

Page 2

Accordingly, the modified authorization should be deemed consistent with the public interest and granted without delay. A PDF copy of the amendment application has been e-mailed to fergas@hq.doe.gov. Please do not hesitate to contact the undersigned with any questions.

Sincerely,

/s/ Joseph H. Fagan

Joseph H. Fagan

*Counsel to Sapphire Gas Solutions*

**UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT**

**Sapphire Gas Solutions**

)

**DOE/FECM Docket No. 24-57-LNG**

**APPLICATION OF SAPPHIRE GAS SOLUTIONS TO AMEND ITS LONG-TERM AND  
SHORT-TERM AUTHORIZATION TO MAKE SMALL SCALE EXPORTS OF  
LIQUEFIED NATURAL GAS TO FREE TRADE AGREEMENT AND NON-FREE  
TRADE AGREEMENT COUNTRIES**

Pursuant to Section 3 of the Natural Gas Act (“NGA”)<sup>1</sup> and Part 590 of the Department of Energy regulations,<sup>2</sup> Sapphire Gas Solutions (“Sapphire”) hereby requests that the DOE Office of Fossil Energy and Carbon Management (“DOE/FECM”) amend Order No. 5186 that granted Sapphire authorization to export up to 51.75 Bcf per year of liquefied natural gas (“LNG”) to (1) any country with which the United States currently has a free trade agreement requiring national treatment for trade in natural gas (“FTA countries”); and (2) any country with which the United States does not have a free trade agreement requiring national treatment for trade in natural gas with which trade is not prohibited by United States law or policy (“Non-FTA countries”), for a term ending on December 31, 2050.<sup>3</sup> Specifically, Sapphire seeks to update Appendix C of its original Application to add additional facilities in the United States from which it seeks to source LNG for export. Additionally, Sapphire seeks authorization to export from the Port of Houston, Texas and Port Everglades, Florida in addition to the Port of Miami, Florida. Finally, Sapphire provides updated contact information for its service list. In support hereof, Sapphire states as follows:

---

<sup>1</sup> 15 U.S.C. § 717b.

<sup>2</sup> 10 C.F.R Part 590 (2025).

<sup>3</sup> 10 C.F.R. §§ 590.102(p) and 590.208(a).

## **I. COMMUNICATIONS AND REQUEST TO UPDATE SERVICE LIST**

Communications regarding Sapphire's Application for Amendment should be directed to the following:

Megan Claydon  
Chief Financial Officer  
Sapphire Gas Solutions  
100 I-45 N, Ste. 500  
Conroe, TX 77301  
833-662-5427  
[mclaydon@sapphirenatgas.com](mailto:mclaydon@sapphirenatgas.com)

Joseph H. Fagan  
Margaret Czepiel  
Day Pitney LLP  
555 11<sup>th</sup> Street NW  
Washington, D.C. 20004  
202-218-3901  
[jfagan@daypitney.com](mailto:jfagan@daypitney.com)  
[mczepiel@daypitney.com](mailto:mczepiel@daypitney.com)

Sapphire requests that the following individual be removed from the service list in this proceeding:

Patrick De Ville  
Executive Vice President of Gas and  
Power  
Sapphire Gas Solutions  
100 I-45 N, Ste. 500  
Conroe, TX 77301  
713-263-4830  
[Pdeville@sapphirenatgas.com](mailto:Pdeville@sapphirenatgas.com)

## **II. DESCRIPTION OF THE APPLICANT**

The exact legal name of the applicant is Sapphire Gas Solutions. Sapphire is a nationwide provider of virtual pipeline services with its principal place of business at 100 I-45 N, Suite 500, Conroe, Texas, 77301. Sapphire's upstream owner is Apollo Global Management, Inc. Sapphire is a limited liability company incorporated in the state of Delaware and was formed for the purpose of supporting pipeline infrastructure and delivering LNG.

## **III. BACKGROUND AND ORDER NO. 5186**

On June 10, 2024, Sapphire filed the Application for a DOE/FECM order granting long-term and short-term multi-contract authorization for Sapphire to export up to 51.75 Bcf per year of natural gas produced from domestic sources in the form of LNG to (1) FTA countries; and (2)

Non-FTA countries. On October 21, 2024, DOE/FECM issued Order No. 5186, granting Sapphire authorization to export from the Port of Miami via Department of Transportation-approved ISO containers transported by barge in a volume equivalent to 51.75 Bcf/year of natural gas.<sup>4</sup> Order No. 5186 authorizes Sapphire to export domestically-produced LNG from any of the 16 facilities listed in Appendix C of the filed Application.<sup>5</sup>

In addition to Order No. 5186, as described in the Application, Sapphire currently holds a short-term authorization to import and export LNG to and from Canada by truck, and to import and export LNG to and from Mexico by truck.<sup>6</sup> In the company's normal course of business, Sapphire imports LNG from Canada via truck to be used as fuel for industrial applications, in support of pipeline integrity projects, or as a peaking fuel.

#### **IV. AMENDMENT REQUESTED AND PUBLIC INTEREST**

Sapphire seeks to update Appendix C of its original Application to add additional facilities in the United States from which it seeks to source LNG for export. Order No. 5186 states that if Sapphire wishes to obtain LNG for export from a facility not included in Appendix C, "it will be required to file with DOE a request to amend" the Order to include any new facility.<sup>7</sup> Due to potential new business and market opportunities and the growing availability of LNG for purchase, Sapphire wishes to expand the list of potential sources from which Sapphire

---

<sup>4</sup> *Sapphire Gas Solutions*, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations, and Long-Term Authorization for Small-Scale Exports of Liquefied Natural Gas, DOE/FECM Order No. 5186 at 10 (Oct. 21, 2024) ("Order No. 5186").

<sup>5</sup> Order No. 5186 at 10.

<sup>6</sup> FECM Order No. 5117, Docket No. 24-24-LNG.

<sup>7</sup> Order No. 5186 at fn. 35.

may obtain LNG for export. The broader list of sources will provide Sapphire with greater flexibility to meet the needs of its customers.

Additionally, also due to new business opportunities, Sapphire seeks authorization to export from the Port of Houston, Texas and Port Everglades, Florida in addition to the Port of Miami, Florida. All other representations made in Sapphire's June 10, 2024 Application remain accurate.

Sapphire is not seeking any other changes to Order No. 5186, including the quantity of LNG it is authorized to export. Sapphire respectfully submits that the amendment requested herein does not change DOE/FECM's conclusion in Order No. 5186 that Sapphire's proposed small-scale exports to FTA and Non-FTA countries are consistent with the public interest.

#### **A. Standard of Review**

Under NGA Section 3(c), "the exportation of natural gas to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, shall be deemed to be consistent with the public interest, and applications for such ... exportation shall be granted without modification or delay."<sup>8</sup>

Pursuant to NGA Section 3(a) and DOE/FECM regulations, small-scale exports to Non-FTA countries are deemed to be within the public interest.<sup>9</sup> Small-scale natural gas exports are those which meet 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

---

<sup>8</sup> 15 U.S.C. §717b(c) (2018).

<sup>9</sup> 10 C.F.R. § 590.208(a) ("Small-scale natural gas exports are deemed to be consistent with the public interest under section 3(a) of the Natural Gas Act, 15 U.S.C. 717b(a). DOE will issue an export authorization upon receipt of any complete application to conduct small-scale natural gas exports. DOE's regulations regarding notice of applications, 10 CFR 590.205, and procedures applicable to application proceedings, 10 CFR part 590, subpart C (10 CFR 590.303 to 10 CFR 590.317), are not applicable to small-scale natural gas exports").

not require an environmental impact statement or an environmental assessment under the National Environmental Policy Act, 42 U.S.C. 4321 et seq.”<sup>10</sup>

## **B. Public Interest**

The modified authorization sought in this Application should be deemed to be consistent with the public interest for the same reasons upon which DOE relied in granting Sapphire’s prior application. An Amendment to the FTA portion of Sapphire’s authorization is appropriate because Section 3(c) of the NGA directs that FTA authorizations are to be “deemed to be consistent with the public interest,” and DOE/FECM should grant such authorizations without modification or delay.

With respect to Non-FTA countries, Sapphire is not proposing any changes to the quantity of LNG it is authorized to export. Order No. 5186 found that Sapphire’s proposed “small-scale exports are deemed to be consistent with the public interest under NGA section 3(a)...”.<sup>11</sup> Sapphire’s proposed Amendment does not change this conclusion. Sapphire is proposing to add three additional potential sources of supply to its Appendix C and two additional ports of export to its authorization. Neither of these will change the amount of supply. Sapphire’s proposed small-scale exports to Non-FTA countries are in the public interest under NGA Section 3(a) pursuant to Sections 590.208(a) and 590.102(p) of DOE/FECM’s regulations because they meet the requirement for the small-scale export authorization exemption. The proposed exports meet the size threshold given that Sapphire is proposing to export no more than 51.75 Bcf per year and, as discussed below, Sapphire’s proposed exports do not require environmental review.

---

<sup>10</sup> 10 C.F.R. § 590.102(p).

<sup>11</sup> Order No. 5186 at 6.

### **C. Environmental Impact**

On October 18, 2024, DOE issued a categorical exclusion for the Non-FTA portion of Sapphire’s Application under the National Environmental Policy Act (“NEPA”).<sup>12</sup> Nothing in this Amendment changes Sapphire’s qualification for categorical exclusion B5.7 under NEPA. DOE regulations provide a list of categorical exclusions from the preparation of an environmental analysis or environmental impact statement under NEPA. Categorical exclusion B5.7 (“Export of natural gas and associated transportation by marine vessel”) affords an exclusion, in relevant part, for “[a]pprovals . . . of new authorizations . . . to export natural gas under section 3 of the Natural Gas Act that involve minor operational changes (such as changes in natural gas throughput, transportation, and storage operations) but not new construction.”<sup>13</sup> As amended, the export authorization requested by Sapphire will not require new construction and accordingly qualifies for categorical exclusion B5.7.

### **V. APPENDICES**

The following appendices are included with this Application for Amendment:

**Appendix A:** Verification

**Appendix B:** Opinion of Counsel

**Appendix C:** Amended Potential Sources of LNG

### **VI. CONCLUSION**

For the foregoing reasons, Sapphire respectfully requests DOE/FECM amend Order No. 5186 to account for two new ports of export and the additional potential sources of supply in Appendix C.

---

<sup>12</sup> 10 C.F.R. Part 1021, Subpart D, Appendix B5.

<sup>13</sup> 10 C.F.R. Part 1021, Subpart D, App. B, Categorical Exclusion B5.7.



Respectfully submitted,

/s/ Joseph H. Fagan

Joseph H. Fagan

Margaret Czepiel

Day Pitney LLP

555 11<sup>th</sup> Street NW

Washington, D.C. 20004

202-218-3901

[jfagan@daypitney.com](mailto:jfagan@daypitney.com)

[mczepiel@daypitney.com](mailto:mczepiel@daypitney.com)

*Counsel for Sapphire Gas Solutions*

March 28, 2025

**APPENDIX A**

**UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT**

**Sapphire Gas Solutions**

)

**DOE/FECM Docket No. 24-57-LNG**

**VERIFICATION**

I, Megan Claydon, declare that I am Chief Financial Officer of Sapphire Gas Solutions (“Sapphire”) and am duly authorized to make this Verification on behalf of Sapphire; that I have read the foregoing Application and that the facts stated therein are true and correct to the best of my knowledge, information and belief.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed in Houston, TX on March 27, 2025.

/s/ Megan Claydon  
Megan Claydon  
Chief Financial Officer  
Sapphire Gas Solutions  
100 I-45 N, Ste. 500  
Conroe, TX 77301  
833-662-5427  
[mclaydon@sapphirenatgas.com](mailto:mclaydon@sapphirenatgas.com)

## APPENDIX B

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

Sapphire Gas Solutions

)

DOE/FECM Docket No. 24-57-LNG

### OPINION OF COUNSEL

This opinion is submitted pursuant to Section 590.202(c) of the Department of Energy's Regulations, 10 C.F.R. § 590.202(c) and in connection with the request of Sapphire Gas Solutions ("Sapphire") for an amendment to its authorization to export liquefied natural gas. I am counsel for Sapphire. I have reviewed and relied upon the corporate formation documents of Sapphire and it is my opinion that the proposed export of liquefied natural gas or compressed natural gas is within Sapphire's corporate powers.

Respectfully submitted,

/s/ Joseph H. Fagan

Joseph H. Fagan

Day Pitney LLP

555 11<sup>th</sup> Street NW

Washington, DC 20004

202-218-3901

[jfagan@daypitney.com](mailto:jfagan@daypitney.com)

Dated: March 27, 2025

## **APPENDIX C**

### **UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT**

**Sapphire Gas Solutions**

)

**DOE/FECM Docket No. 24-57-LNG**

#### **LIQUEFACTION FACILITIES AND PORTS**

Below is a list of the facilities from which Sapphire Gas Solutions (“Sapphire”) is seeking authority to source LNG for export at this time. Sapphire will notify DOE/FECM of any additional facilities from which it will source LNG for export.

1. JAX LNG, Jacksonville, Florida. JAX LNG, a liquefied natural gas (“LNG”) facility located at Dames Point in Jacksonville, FL, is owned by subsidiaries of Southern Company Gas and North Star Midstream, LLC. The JAX LNG facility has the capacity to produce 120,000 gallons of LNG per day and store more than 2 million gallons of LNG.
2. Eagle LNG Partners, Maxville, Florida. Eagle LNG has built a natural gas liquefaction plant near Jacksonville, FL, which offers a capacity of 200,000 gallons per day (87,000 gallons per day initially). The Eagle LNG facility is located west of downtown Jacksonville and features a 1,000,000-gallon storage tank and an LNG truck loading system. The facility is also designed to load LNG ISO containers for transport to nearby island markets. To support fueling ships, Eagle LNG is building a fuel depot dockside at the Talleyrand Marine Terminal on the St. Johns River.
3. New Fortress LNG plant, Hialeah, Florida. 100,000 gallon per day capacity, LNG Source: Liquefaction.
4. Coosada LNG facility, Spire Energy, Alabama 80 MMCF Total Capacity, LNG Source: Liquefaction.
5. Pinson LNG facility, Spire Energy, Alabama 120 MMCF Total Capacity, LNG Source: Liquefaction.
6. East Lauderdale LNG Facility, Spire Energy, Alabama 2.988 MMCF Total Capacity, LNG Source: Truck.
7. Double Springs LNG Facility, Spire Energy, Alabama .768 MMCF Total Capacity, LNG Source: Truck.
8. Cherokee LNG Facility, Atlanta Gas Light Co. 624 MMCF Total Capacity, LNG Source: Liquefaction.

9. Macon LNG Facility, Atlanta Gas Light Co. 150 MMCF Total Capacity, LNG Source: Liquefaction.
10. Riverdale LNG, Atlanta Gas Light Co. 400 MMCF Total Capacity, LNG Source: Liquefaction.
11. Pivotal LNG, Trussville, AL. Pivotal LNG, a wholly-owned subsidiary of Berkshire Hathaway Energy Gas Transmission and Storage, owns and operates the Trussville LNG plant located in Trussville, Alabama. The plant currently has storage of 4.8 million gallons and produces approximately 60,000 gallon per day. Trussville has two scales and three loading racks to allow multiple transfers and truck loading operations simultaneously.
12. Stabilis Energy, George West, Texas. The George West LNG facility is a small-volume LNG production facility located in the Eagle Ford shale production area in George West, Texas. The facility is owned and operated by Flint Hills Resources and has a liquefaction capacity of 120,000 gallons per day and a 40,000 gallon LNG Fuel Depot in Odessa providing customers with access to LNG 24 hours a day. The facility features two truck loading racks that can load two transport trailers simultaneously in less than an hour.
13. Clean Energy Pickens Plant, Willis, Texas. The Clean Energy LNG facility in Willis, Texas known as the Pickens Plant is a small-volume LNG production owned and operated by Clean Energy Fuels Corporation. The facility has a liquefaction capacity of 100,000 gallons per day and a storage capacity of 1 million gallons. The facility is capable of loading twelve (12) trucks per day.
14. NuBlu, Port Allen Plant, Louisiana. The Port Allen Plant is a small-volume LNG production facility owned and operated by NuBlu along the Mississippi River in Louisiana utilizing high and low-pressure natural gas pipelines. The 30,000 gallons per day facility, expandable to 90,000 gallons per day, is equipped with scales, loadout and 100,000 gallons of permanent storage.
15. Kinetrex Energy, Indianapolis, IN. Kinetrex Energy, a wholly-owned subsidiary of Kinder Morgan, operates two LNG facilities in Indianapolis, knowns as the LNG North Plant and the LNG South Plant. Each facility have 1 bcf of storage capacity, converts approximately 125,000 gallons of LNG per day and has two loading stations capable of fueling 48 loads of LNG daily.
16. Frontier Natural Resources, Inc. Frontier is an independent oil and gas producer based in central Pennsylvania. Frontier produces LNG from stranded natural gas assets. It operates two small-scale LNG facilities, one in Mansfield, PA and the other in Clearfield, PA. The Mansfield facility produces 6,000 gallons of LNG per day. The LNG is stored on site for transfer to cryo-tankers for transport to market. The Clearfield facility produces 36,000 gallons of LNG per day that is similarly stored on site for transfer to cryo-tankers for transport to market.
17. Mentone LNG Facility, located in Loving County, Texas. 147,500 LNG gallons per day total capacity. Source is liquefaction.

18. Garden City LNG Facility, located in Texas. 85,45 LNG gallons per day total capacity. Source is liquefaction.
19. Seminole Facility owned by Alkane Midstream, located in Seminole, Texas. 70,000 LNG gallons per day total capacity. Source is liquefaction.