

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

**Mexico Pacific Limited LLC**

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**Docket Nos. 18-70-LNG  
22-167-LNG**

**ANSWER OF MEXICO PACIFIC LIMITED LLC  
TO  
PROTEST OF PUBLIC CITIZEN, INC., NATURAL RESOURCES DEFENSE  
COUNCIL AND SIERRA CLUB TO NOTICE OF CHANGE IN CONTROL**

Pursuant to Section 590.304(f) of the Department of Energy’s regulations,<sup>1</sup> Mexico Pacific Limited LLC (“MXP”) hereby submits this Answer in response to the Protest of Public Citizen, Inc., Natural Resources Defense Council and Sierra Club filed in the captioned proceedings on May 22, 2025 (the “Protest”). That Protest addresses a notice of a change in control which MXP submitted in the captioned proceedings on March 5, 2025 (“MXP’s CIC Notice”) and supplemented on March 21, 2025, and May 30, 2025. Protestants Public Citizen, Inc., Natural Resources Defense Council and Sierra Club assert that MXP’s CIC Notice “is deficient and therefore inconsistent with the public interest.”<sup>2</sup>

For the reasons set forth in this Answer, the Department of Energy’s Office of Fossil Energy and Carbon Management (“DOE/FECM”) should conclude that the Protest sets forth no basis on which DOE should decline to give effect to the change in control described in MXP’s

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<sup>1</sup> 10 C.F.R. § 590.304(f) (2022).

<sup>2</sup> Protest at 1; *see also id.* at 2.

CIC Notice or could find that this change in control renders MXP's existing<sup>3</sup> and requested<sup>4</sup> authorizations to export liquified natural gas to non-FTA countries inconsistent with the public interest under section 3(a) of the Natural Gas Act.<sup>5</sup>

In support of its Answer, MXP states the following:

## **I. BACKGROUND**

MXP's CIC Notice informed DOE/FECM that by means of a transaction that closed effective as of February 3, 2025 and a second transaction that closed effective as March 3, 2025, MXP's ownership changed such that Mexico Pacific Holdings, L.P., a Delaware limited partnership, acquired voting control of MXP under a new limited liability company agreement.<sup>6</sup> MXP's existence as a limited liability company was continued under that agreement, and MXP remains the holder of the natural gas export authorizations granted in the captioned proceedings.<sup>7</sup>

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<sup>3</sup> By order dated September 19, 2018 (DOE/FECM Order No. 4248), MXP was granted authorization to export U.S.-sourced natural gas by pipeline from the United States to Mexico for end use in Mexico and/or, after liquefaction in Mexico, by vessel from the proposed "MXP Facility" to be constructed in the State of Sonora to countries with which the United States has entered into a free trade agreement ("FTA") requiring national treatment for trade in natural gas, and with which trade is not prohibited by U.S. law or policy ("FTA countries") for end use in FTA countries. The volume authorized in that Order was up to the equivalent of 621 Bcf/yr of natural gas for a 20-year term. In a subsequent order dated December 14, 2018, MXP was granted authorization to export U.S.-sourced natural gas by pipeline from the United States for liquefaction in the MXP Facility and to re-export the natural gas from the MXP Facility in the form of LNG in a volume up to the equivalent of 621 Bcf/yr of natural gas to both FTA countries and countries with which trade is not prohibited by U.S. law or policy ("non-FTA countries") for a term of 20 years.

<sup>4</sup> On December 28, 2022, MXP filed in DOE/FECM Docket No. 22-167-LNG an application in which it requested authorization under Section 3 of the Natural Gas Act (i) to export an additional volume of 425.57 Bcf/yr to FTA countries to align its export volumes (currently 621 Bcf/yr) with the increased peak liquefaction production capacity of the MXP Facility as designed, under optimal conditions, including fuel gas requirements plus lost and unaccounted for gas, and (ii) to engage in additional long-term, multi-contract exports of U.S.-sourced natural gas by pipeline to Mexico and to re-export such natural gas as LNG in a volume equivalent to 291.22 Bcf/yr to non-FTA countries. In an order dated April 28, 2023 (DOE/FECM Order No. 4995) issued in Docket No. 22-167-LNG, DOE/FECM granted MXP authorization to export U.S.-sourced natural gas by pipeline from the United States to Mexico for end use in Mexico and/or, after liquefaction in Mexico, by vessel from the proposed MXP Facility to FTA countries. The volume authorized in that Order was up to the equivalent of an incremental of 425.57 Bcf/yr, for a total approved export volume of 1046.57 Bcf/yr. MXP's application for authorization to export an additional 291.22 Bcf/yr to non-FTA countries remains pending before DOE/FECM.

<sup>5</sup> Natural Gas Act of 1938, as amended ("NGA"), Section 3(a), 15 U.S.C. § 717b(a).

<sup>6</sup> MXP's CIC Notice at 3.

<sup>7</sup> *Id.*

On May 7, 2025, DOE/FECM published notice of MXP's CIC Notice in the Federal Register, setting a deadline for protests, motions to intervene, notices of intervention and written comments of May 22, 2025.<sup>8</sup> The Protest was filed in response to this notice.

**II. ANSWER: The Protest Fails to Establish that MXP's Recent Change in Control has Rendered MXP's Non-FTA Authorization and Would Render its Request for Additional Non-FTA Authorization Inconsistent with the Public Interest.**

Section 3(a) of the NGA creates a rebuttable presumption that proposed exports of natural gas to non-FTA nations are in the public interest, and DOE must grant an application for authorization to engage in such exports unless that presumption is overcome.<sup>9</sup> That is, an opponent challenging an application for non-FTA export authorization must affirmatively demonstrate that granting the application would be inconsistent with the public interest under NGA Section 3(a).<sup>10</sup> Those challenging a change in control of a non-FTA export authorization holder or of an applicant for such an authorization must make a similar showing: they must establish that the change in control would render an existing or requested non-FTA export authorization inconsistent with the public interest.<sup>11</sup> The Protest sets forth no basis upon which DOE/FECM could find that the change

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<sup>8</sup> Change in Control: Mexico Pacific Limited LLC, 90 Fed. Reg. 19288 (May 7, 2025).

<sup>9</sup> See, e.g., *Freeport LNG Expansion, L.P. & FLNG Liquefaction, LLC*, DOE/FE Order No. 3282 at 5-6, Docket No. 10-161-LNG (May 17, 2013); *Sabine Pass Liquefaction, LLC*, DOE/FE Order No. 2961 at 28, Docket No. 10-111-LNG (May 20, 2011); *Cameron LNG, LLC*, DOE/FE Order No. 3391, Docket No. 11-162-LNG (Feb. 11, 2014).

<sup>10</sup> See *Sierra Club v. U.S. Dept. of Energy*, 867 F.3d 189, 203 (D.C. Cir. 2017); *Freeport LNG*, DOE/FE Order No. 3282 at 6; see also *Phillips Alaska Natural Gas Corp. & Marathon Oil Co.*, DOE/FE Order No. 1473 at 13, n. 42, Docket No. 96-99-LNG (Apr. 2, 1999) ("Section 3 creates a statutory presumption in favor of approval of an export application and the Department must grant the requested export [application] unless it determines the presumption is overcome by evidence in the record of the proceeding that the proposed export will not be consistent with the public interest.").

<sup>11</sup> See, e.g., *Cameron LNG, LLC, et al.*, Order Approving Change in Control, DOE/FECM Order No. 4815 at 8, Docket Nos. 11-145-LNG, *et al.* (May 3, 2022) ("we see no basis to conclude that the described equity ownership by a subsidiary of the Abu Dhabi Investment Authority would render the Authorization Holders' existing non-FTA orders inconsistent with the public interest under NGA section 3(a)."). See also *Procedures for Changes in Control Affecting Applications and Authorizations To Import or Export Natural Gas* ("DOE's Change in Control Procedures"), 79 Fed. Reg. 65541 (Oct. 16, 2014) at 65542 (identifying the question DOE must address in respect of changes in control as "whether the proposed change in control has been demonstrated to render the underlying authorization inconsistent with the public interest").

in control described in the MXP CIC Notice has rendered MXP’s existing non-FTA authorization, or would render the additional requested authorization, inconsistent with the public interest.

MXP’s CIC Notice complies with the specific requirements of DOE/FECM’s Change in Control Procedures. In its notice, MXP identified “all of the participants in the transaction[s], including the parent company [of the authorization holder]” (*i.e.*, Mexico Pacific Holdings, L.P.), as required by 10 C.F.R. § 590.202(b)(3) and the Change in Control Procedures. MXP’s CIC Notice also discloses the manner in which MXP and its parent company are affiliated (*i.e.*, that Mexico Pacific Holdings, L.P. now has voting control of MXP, the export authorization holder). DOE’s regulations and Change in Control Procedures compel nothing more, and MXP’s CIC Notice therefore cannot properly be considered “deficient.”

The Protest asserts that MXP’s CIC Notice “fails the Department of Energy’s change in control disclosure requirements” because it lists only Mexico Pacific Holdings, L.P. as the entity that now controls MXP, and does not identify the persons or entities that control Mexico Pacific Holdings.<sup>12</sup>

As it has in other change in control cases,<sup>13</sup> Public Citizen has offered in its Protest only unsubstantiated claims and speculation regarding the potential impact of a change in control of MXP. The Protest does not explain how the establishment of Mexico Pacific Holdings, L.P. as the holder of voting power over MXP could render MXP’s existing non-FTA export authorization and the additional authorization MXP has sought inconsistent with the public interest. Nor does it offer any evidence to support its entirely speculative suggestion that “one potential purpose of the

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<sup>12</sup> Protest at 1.

<sup>13</sup> See, *e.g.*, *American LNG Marketing LLC*, Order Approving Change in Control, DOE/FECM Order No. 5172, Docket Nos. 14-209-LNG, *et al.* (Sept. 25, 2024) at 9-10; *Cameron LNG, LLC, et al.*, Order Approving Change in Control, DOE/FECM Order No. 4815 at 8-9; *Freeport LNG Development, L.P.*, Order Approving Change in Control, DOE/FECM Order No. 4850 (Docket Nos. 10-160-LNG, *et al.* (July 21, 2022) at 9.

shuffle involving Kronos and Mexico Pacific Holdings, L.P. is to obscure current and future investors as limited partners instead of equity owners in an effort to conceal the identities of future owners and investors.”<sup>14</sup> In fact, that “shuffle” involved an entirely unremarkable assignment and assumption transaction through which Mexico Pacific Holdings, L.P. became the sole member of MXP, in place of Kronos Polo, L.P.<sup>15</sup> As for the Protest’s insinuation that MXP has sought to conceal the identities of its future owners and investors, MXP here affirms that, as required by the Change in Control Procedures, it will notify DOE/FECM of any future transactions in which an investor’s introduction into the owner of MXP would result in a change in control of MXP.

The Protest establishes no grounds on which DOE/FECM may decline to accept the change in control described in MXP’s CIC Notice, as DOE/FECM has recognized in addressing other Public Citizen protests. *See, e.g., American LNG Marketing LLC*, DOE/FECM Order No. 5172, at 7, 9-10 (rejecting as “unsubstantiated” Public Citizen arguments that a change in control proposal is “deficient” because “it fails to reveal what investors, individuals or entities hold ‘power to direct the management or policies of [the entity acquiring control of an export authorization holder]’” and that DOE/FECM “must therefore compel disclosure of the investors, individuals and entities that own, direct and control” that entity); *Cameron LNG, LLC, et al.*, DOE/FECM Order No. 4815 at 8-9 (rejecting Public Citizen protest to change in control notice for failure to provide evidence to support its allegations regarding adverse impacts on U.S. citizens of foreign ownership of U.S. natural gas companies). The Protest also fails to articulate a legitimate basis on which MXP may be compelled to provide additional disclosure regarding its recent change in control transactions.

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<sup>14</sup> Protest at 1.

<sup>15</sup> *See* MXP’s Second Supplement to CIC Notice Submitted March 5, 2025, Mexico Pacific Limited LLC, Docket Nos. 18-70-LNG and 22-167-LNG (filed May 30, 2025) (“MXP’s Second Supplement”) at p. 2.

Nevertheless, in the interest of transparency and as the Protest demands, MXP has appended to this Answer as Exhibit A the Amended and Restated Agreement of Limited Partnership of Mexico Pacific Holdings, L.P. effective as of March 3, 2025 (the “Holdings LP Agreement”).<sup>16</sup> MXP provided the Third Amended and Restated Limited Liability Company Agreement of Mexico Pacific Limited LLC effective as of March 31, 2025 (the “Third Amended MXP LLC Agreement”) to DOE/FECM, under seal, in MXP’s Second Supplement.

- The Third Amended MXP LLC Agreement makes a change in MXP’s governance relative to the governance model adopted in the Second Amended and Restated Limited Liability Agreement (but makes no change in control) by establishing Mexico Pacific Holdings, L.P. as the sole member of MXP (the export authorization holder), with the full and exclusive right, power and authority to manage MXP.<sup>17</sup> The Third Amended and Restated Limited Liability Company Agreement thus substituted MXP Holdings for the Board of Managers contemplated by the Second Amended and Restated Limited Liability Company Agreement, making MXP a member-managed limited liability company. The result did not entail a change in control of MXP (since MXP Holdings remained the entity with the power to manage the business and affairs of MXP).
- The Holdings LP Agreement defines the manner in which that limited partnership is to operate, be managed and be governed, and capital is to be contributed by the partners from time to time. It also establishes a mechanism for the admission of additional limited partners to, and the withdrawal of the initial limited partner from, the Holdings limited partnership.

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<sup>16</sup> The Holdings LP Agreement contains highly sensitive and confidential commercial, financial, and proprietary information and MXP is filing the Holdings LP Agreement under seal on a confidential basis and not for public disclosure. *See* 10 C.F.R. § 1004.11(f).

<sup>17</sup> In this respect, the Third Amended MXP LLC Agreement differs from the Second Amended and Restated Limited Liability Company Agreement of Mexico Pacific Limited LLC effective as of March 3, 2025 (the “Second Amended MXP LLC Agreement”), which is discussed in MXP’s CIC Notice. The Second Amended MXP LLC Agreement established a Board of Managers that was to have the power and authority to manage MXP’s business and affairs; the Third Amended MXP LLC Agreement replaced the Board of Managers with MXP Holdings, making MXP a member-managed limited liability company. Given this, MXP is no longer governed by a Board of Managers, and there are no “identities of the people serving on its Board of Managers” for MXP to disclose, as the Protest demands.

While MXP is not required to provide the above agreements, by submitting these agreements, MXP is offering the additional disclosure the Protest insists that DOE/FECM must compel.

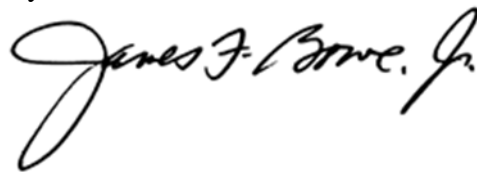
### **III. CONCLUSION**

For the foregoing reasons, DOE/FECM should find that the Protest fails to establish that the change in control described in MXP's CIC Notice and related supplemental submissions has rendered MXP's existing non-FTA export authorization, and would render the requested additional non-FTA export authorization, inconsistent with the public interest. DOE/FECM should conclude that the natural gas exports it has authorized MXP to undertake in Docket No. 18-70-LNG remain not inconsistent with the public interest, in line with the DOE's previous precedent in multiple circumstances<sup>18</sup> and should promptly reach the same conclusion with respect to the additional non-FTA export authorization MXP has requested in Docket No. 22-167-LNG.

Respectfully submitted,

**MEXICO PACIFIC LIMITED LLC**

By:



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<sup>18</sup> *American LNG Marketing LLC*, Order Approving Change in Control, DOE/FECM Order No. 5172, Docket Nos. 14-209-LNG, et al. (Sept. 25, 2024) at 9-10; *Cameron LNG, LLC, et al.*, Order Approving Change in Control, DOE/FECM Order No. 4815 at 8, Docket Nos. 11-145-LNG, et al. (May 3, 2022) (“we see no basis to conclude that the described equity ownership by a subsidiary of the Abu Dhabi Investment Authority would render the Authorization Holders’ existing non-FTA orders inconsistent with the public interest under NGA section 3(a).”).

Dated: June 6, 2025







**Exhibit A**

**Amended and Restated Agreement of Limited Partnership of Mexico Pacific Holdings, L.P.  
effective as of March 3, 2025  
(Confidential - submitted under seal)**



**UNITED STATES OF AMERICA  
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**VERIFICATION**

Pursuant to 10 C.F.R. § 590.103(b), I, Tyler R. Brown, hereby verify under penalty of perjury that I am authorized to execute this verification, that I have read the Answer of Mexico Pacific Limited LLC dated June 6, 2025, and that the facts stated therein are true and correct to the best of my knowledge.

Electronically signed at Atlanta, GA, on June 6, 2025.

*/s/Tyler R. Brown*

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**CERTIFICATE OF SERVICE**

Pursuant to 10 C.F.R. § 590.107, I, Tyler R. Brown, hereby certify that I caused the above documents to be served on the persons included on the official service list for this docket, as provided by DOE/FE, on June 6, 2025.

*/s/Tyler R. Brown*  
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