

U.S. Department of Energy
Categorical Exclusion Determination
Office of Fossil Energy and Carbon Management



PORT ARTHUR LNG PHASE II, LLC
DOCKET NO. 20-23-LNG

PROPOSED ACTION DESCRIPTION: Port Arthur LNG Phase II, LLC (PALNG Phase II) filed an application (Application) with the Department of Energy's (DOE) Office of Fossil Energy and Carbon Management (FECM) (then known as the Office of Fossil Energy) on February 28, 2020.¹ The Application was submitted pursuant to section 3 of the Natural Gas Act (NGA)² and 10 CFR Part 590 of DOE's regulations. PALNG Phase II submitted an amendment to the Application on March 3, 2020. On May 29, 2025, DOE/FECM issued Order No. 5292 (Order) in response to the Application.³ The Order authorizes PALNG Phase II to export domestically produced liquefied natural gas (LNG) in a volume equivalent to 698 billion cubic feet per year of natural gas by vessel from Trains 3 and 4 (the Expansion Project) of the proposed Port Arthur LNG terminal to be located in Jefferson County, Texas. PALNG Phase II is authorized to export this LNG to any country with which the United States has not 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 (non-FTA countries).⁴

As relevant here, in the Application, PALNG Phase II had requested this long-term authorization for a term ending "'on the later of the date that is twenty years from the date of the commencement of the term or December 31, 2050.'"⁵ In Order No. 5292, DOE authorized the non-FTA exports for a term to commence on the date of first export from the proposed Expansion Project and to extend through December 31, 2050. Since issuing the Order to PALNG Phase II, however, DOE has reconsidered its response to PALNG Phase II's request concerning its export term. DOE is proposing to amend the Order to allow three additional years for PALNG Phase II to export any of the total approved volume of LNG that it is unable to export by December 31, 2050 (Make-Up Volume). This three-year period, known as the Make-Up Period, will extend through December 31, 2053. PALNG Phase II will not be permitted to increase its annual non-FTA export volume (698 Bcf) over the three-year Make-Up Period absent appropriate authorization by DOE.

DOE's proposed action is to amend the Order to allow for the Make-Up Period if DOE determines that adding the Make-Up Period is not inconsistent with the public interest. If granted, the authorization under the Order would include the Make-Up Period, subject to certain terms and conditions set forth in the DOE order.

CATEGORICAL EXCLUSION APPLIED: B5.7 - Export of natural gas and associated transportation by marine vessel

For the complete DOE National Environmental Policy Act regulations regarding categorical exclusions, including the full text of each categorical exclusion, see Subpart D of 10 CFR Part 1021.

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

² 15 U.S.C. § 717b.

³ *Port Arthur LNG Phase II, LLC*, DOE/FECM Order No. 5292, Docket No. 20-23-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations (May 29, 2025).

⁴ 15 U.S.C. § 717b(a). In the Application, PALNG Phase II also requested authorization to export LNG in the same volume to FTA countries under NGA section 3(c), *id.* § 717b(c), on a non-additive basis. On July 14, 2020, in Order No. 4562, DOE granted the FTA portion of the Application.

⁵ *Port Arthur LNG Phase II, LLC*, DOE/FECM Order No. 5292, at 2 (quoting Port Arthur LNG Phase II, LLC, Application for Long-Term, Multi-Contract Authorizations to Export Liquefied Natural Gas From the United States to Free Trade Agreement and Non-Free Trade Agreement Nations, Docket No. 20-23-LNG, at 4 (Feb. 28, 2020)).

Regulatory Requirements in 10 CFR 1021.410(b): (See full text in regulation)

☒] The proposal fits within a class of actions that is listed in Appendix A or B to 10 CFR Part 1021, Subpart D.

☒] There are no extraordinary circumstances related to the proposal that may affect the significance of the environmental effects of the proposal.

☒] The proposal has not been segmented to meet the definition of a categorical exclusion. This proposal is not connected to other actions with potentially significant impacts, is not related to other actions with individually insignificant but cumulatively significant impacts, and is not precluded by 10 CFR 1021.211 concerning limitations on actions during preparation of an environmental impact statement.

Based on my review of the proposed action, as NEPA Compliance Officer, I have determined that the proposed action fits within the specified class(es) of action, the other regulatory requirements set forth above are met, and the proposed action is hereby categorically excluded from further NEPA review.

Signature: _____

Date Determined: 6/30/25

Brian Lavoie, NEPA Compliance Officer, Office of Fossil Energy and Carbon Management