

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

Delfin LNG LLC

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**Docket Nos. 13-129-LNG
and 13-147-LNG**

**ANSWER OF DELFIN LNG LLC TO
PROTEST OF ITS REQUESTED EXTENSION OF TIME**

Pursuant to Sections 590.302(b), 303(e), and 304(f) of the Administrative Procedures with respect to the Import and Export of Natural Gas of the Department of Energy (“DOE”),¹ Delfin LNG LLC (“Delfin”) hereby submits this answer to the protest by the Center for Biological Diversity (“CBD”) and Sierra Club² of Delfin’s May 2, 2025 request (the “Request”) for a two-year extension of time to allow until June 1, 2031, to commence exports of liquefied natural gas (“LNG”) from its planned floating LNG (or “FLNG”) Project to countries with which the U.S. does not have a Free Trade Agreement (“FTA”) requiring national treatment for trade in natural gas but with which trade is not prohibited by United States law or policy (“non-FTA” nations). For the reasons explained below, Delfin urges DOE to disregard the Protest and issue an order granting the requested extension of time as soon as possible, in support of the upcoming Final Investment Decision (“FID”) for Delfin’s first FLNG vessel.

DOE explained in its public notice of Delfin’s Request that the public was previously given the opportunity to comment on Delfin’s non-FTA export authorization itself and it will not consider at this time comments or protests that do not bear directly on the requested extension of

¹ 10 C.F.R. §§ 590.302(b), 303(e), and 304(f) (2025).

² Motion to Intervene and Protest of Sierra Club and the Center for Biological Diversity filed in the above-captioned proceedings on July 3, 2025 (the “Protest”).

time.³ The Protest of CBD and Sierra Club does not do so, but rather opposes more generally LNG exports by Delfin and from the United States in general.

CBD and Sierra Club, of course, are long-standing opponents of LNG exports from the U.S. In 2023, DOE denied the petition for rulemaking filed by them regarding the process by which DOE considers non-FTA export authorizations and explained that it has considered and rejected their arguments opposing LNG exports repeatedly in numerous orders since 2013.⁴ CBD and Sierra Club continued to oppose LNG exports generally in their comments on the LNG Export Study issued by DOE in December 2024.⁵ Contrary to their position, “DOE conclude[d] that the complete record from the 2024 LNG Export Study, inclusive of the Study, the comments received, and [its] Response to Comments, supports the proposition that exports of LNG from the United States are in the best interest of the American public.”⁶ Furthermore and as

³ Notice of Request, Docket No. 13-147-LNG, 90 Fed. Reg. 24111, 24112 (June 6, 2025).

⁴ See Order Denying Petition for Rulemaking on Exports of Liquefied Natural Gas filed by the Sierra Club, CBD and aligned groups, at 18 – 20 (July 18, 2023), available at <https://www.energy.gov/sites/default/files/2023-07/DOE%20Response%20to%20Sierra%20Club%27s%20Petition%20for%20Rulemaking%207.18.2023%20%2802%29.pdf>. Most prominently, Sierra Club challenged at the U.S. Court of Appeals for the District of Columbia Circuit five long-term LNG export authorizations issued by DOE/FECM for the first wave of U.S. LNG export projects (outside Alaska), which it had actively opposed at the agency. See *Sierra Club v. U.S. Department of Energy*, 867 F.3d 189 (D.C. Cir. 2017) (denying petition of review of the LNG export authorization issued to Freeport LNG Expansion, L.P., *et al.*); *Sierra Club v. U.S. Department of Energy*, Nos. 16-1186, 16-1252, 16-1253, 703 Fed. Appx. 1 (D.C. Cir. Nov. 1, 2017) (denying petitions of review of the LNG export authorization issued to Dominion Cove Point LNG, LP; Sabine Pass Liquefaction, LLC; and Cheniere Marketing, LLC, *et al.*, respectively); *Sierra Club v. U.S. Dept. of Energy*, No. 16-1426, Per Curium Order (D.C. Cir. Jan. 30, 2018) (granting Sierra Club's unopposed motion for voluntarily dismissal).

⁵ Notice of Availability of the 2024 LNG Export Study: Energy, Economic, and Environmental Assessment of U.S. LNG Exports and Request for Comments, 89 Fed. Reg. 104,132 (Dec. 20, 2024). CBD filed its comments on the 2024 Study on Jan. 16, 2025, which are included in the relevant docket as comment identification number 3212. Sierra Club, along with other aligned parties, submitted its comments on the 2024 Study on Jan. 17, 2025 and they are included in the docket as comment identification number 3294. As noted below, portions of their Protest here are similar to arguments they presented in those general comments on the 2024 Study.

⁶ DOE Press Release, “DOE FINALIZES 2024 LNG EXPORT STUDY, PAVING WAY FOR STRONGER AMERICAN ENERGY EXPORTS,” May 19, 2025, available at: <https://www.energy.gov/articles/doe-finalizes-2024-lng-export-study-paving-way-stronger-american-energy-exports>. For more detail regarding DOE’s conclusions in this regard, see the related May 19, 2025 “Response to Comments for the 2024 LNG Export Study: Energy, Economic, and Environmental Assessment of U.S. LNG Exports”: the availability of this Response was announced at 90 Fed. Reg. 21912 (May 22, 2025) and the Response itself is available at:

particularly relevant here, DOE in this Administration has embraced increased flexibility for extensions of commencement deadlines by eliminating “regulatory barriers standing in the way of unleashing U.S. liquefied natural gas (LNG exports),” including the prior policies that “made it unnecessarily rigid to obtain and maintain an authorization to export U.S. LNG to non-free trade agreement countries” and by “return[ing] to a common-sense policy on reviewing commencement date extensions.”⁷

CBD and Sierra Club are also long-standing opponents of Delfin’s Project specifically. DOE considered and rejected Sierra Club’s arguments opposing Delfin’s Project when it originally authorized non-FTA exports by Delfin.⁸ Furthermore, DOE just months ago rejected the opposition by CBD and Sierra Club when it granted Delfin’s prior request for an extension of time, even under the since-rescinded, more stringent standard for extensions put in place under the prior Presidential Administration.⁹ Nothing in their latest Protest undermines Delfin’s demonstration in its Request that additional time is required for it to commence exports and that, accordingly, good cause supports an additional extension of time.

The first argument against Delfin’s requested extension offered in the Protest consists of claims about “new studies and evidence” related to alleged impacts of LNG exports on domestic

https://www.energy.gov/sites/default/files/2025-05/2024%20LNG%20Export%20Study_Response%20to%20Comments_Final_05.19.2025.pdf.

⁷ See DOE Press Release, ENERGY DEPARTMENT TAKES ACTION TO REMOVE BARRIERS FOR REQUESTS TO LNG EXPORT COMMENCEMENT DATE EXTENSIONS (Apr. 1, 2025), available at: <https://www.energy.gov/articles/energy-department-takes-action-remove-barriers-requests-lng-export-commencement-date>; Rescission of Policy Statement on Export Commencement Deadlines in Authorizations To Export Natural Gas to Non-Free Trade Agreement Countries, 90 Fed. Reg. 14411 (Apr. 2, 2025).

⁸ See *Delfin LNG LLC*, DOE/FE Order No. 4028, Docket No. 13-147-LNG at 136-159 (June 1, 2017)(non-FTA authorization), *reh’g denied by* Order No. 4028-A (Apr. 3, 2018), *amended by* Order No. 4028-B (Dec. 10, 2020)(extension of term through 2050), *further amended by* Order No. 4028-C (May 18, 2021)(correcting the precise location of the FLNGVs), *further amended by* Order No. 4028-D (March 10, 2025)(granting request to extend deadline to commence exports).

⁹ Order No. 4028-D at 7 & n. 43 (noting protest).

natural gas prices.¹⁰ In granting Delfin’s previous extension request, DOE concluded that new studies about the impacts of LNG exports are not relevant to an extension of time that does not seek authorization for additional volumes of exports.¹¹ In any case, one of the “key findings” by DOE based on the 2024 Export Study and the comments on it was that:

“Increased LNG exports are projected to have relatively modest impacts on prices and there has not been a consistent effect of U.S. LNG exports on prices to date. The potential price impacts from increased LNG exports modeled in the 2024 Study are within the range of prices observed over the past five years, and those price impacts are below the price increases from U.S. LNG exports modeled in DOE’s 2018 LNG Export Study.”¹²

Therefore, even if these general arguments against LNG exports were relevant to Delfin’s extension Request (which they are not), DOE has rejected them as contrary to the actual evidence.

The second argument by CBD and Sierra Club against Delfin’s requested extension of time focuses on alleged impacts of greenhouse gas (“GHG”) emissions from LNG export projects (and fossil fuels more generally) and related concerns about climate change.¹³ Again, similar claims against LNG exports have been rejected by DOE, as explained in another key finding from the 2024 Export Study proceeding:

“If U.S. LNG exports more than triple from current levels and reach the model-resolved level of exports, 56.3 Bcf/d, the cumulative increase in global GHG emissions to 2050 would be no greater than 0.1%. Given the uncertainties inherent in modeling the

¹⁰ See Protest at 10-12.

¹¹ Order No. 4028-D at 23.

¹² “Response to Comments for the 2024 LNG Export Study: Energy, Economic, and Environmental Assessment of U.S. LNG Exports,” at 46-47 (“Key Finding # 4). Notably, Sierra Club (and aligned parties) similarly advanced its arguments about impacts of LNG exports on domestic gas prices in its comments on the 2024 LNG Study cited at note 4 *supra*.

¹³ See Protest at 12-19.

global energy system, DOE cannot conclude that the change in GHG emissions would be significantly different from zero.”¹⁴

DOE added that, because it cannot definitively determine whether GHG emissions would increase with rising levels of LNG exports, GHG emissions are not expected to affect DOE’s public interest determinations in pending or future non-FTA authorizations.¹⁵ A fortiori, such GHG claims certainly have no bearing on extensions of time to commence exports, which do not authorize new volumes for export nor substantively change the underlying proposed action or constitute new approval of a project.

The third argument presented in the Protest is that the construction and operation of Delfin’s Project will allegedly harm protected species.¹⁶ This claim is not only irrelevant to the requested extension of time to commence LNG exports, but also well outside the scope of DOE’s statutory responsibility. CBD and Sierra Club in the Protest recognize that the Maritime Administration (“MARAD”) is “the agency tasked with the review and approval of the construction and operation of the Delfin LNG deepwater port terminal”¹⁷ pursuant to the Deepwater Port Act of 1974. After doing so, CBD and Sierra Club cite a letter issued by MARAD in April 2024,¹⁸ while completely ignoring subsequent MARAD developments. The President’s *Unleashing American Energy* Executive Order directed MARAD, for deepwater port projects for the export of LNG for which a favorable record of decision had previously been issued like Delfin, to promptly determine whether any subsequent project refinements are “likely

¹⁴ Response to Comments for the 2024 LNG Export Study at 47 (Key Finding # 6). Both CBD and Sierra Club advanced similar arguments about GHGs and climate change in their comments on the 2024 Export Study cited at note 4 *supra*.

¹⁵ Response to Comments for the 2024 LNG Export Study at 12.

¹⁶ Protest at 19-25.

¹⁷ Protest at 9.

¹⁸ *Id.*

to result in adverse environmental consequences that substantially differ from those associated with the originally-evaluated project so as to present a seriously different picture of the foreseeable adverse environmental consequences” and, if not, to proceed with license issuance.¹⁹

As Delfin explained in its request for an additional extension of time, MARAD publicly announced on March 21, 2025, that it has issued a license authorizing Delfin to own, construct, operate, and eventually decommission its deepwater port Project, recognizing that it will be the first offshore LNG export project.²⁰ Delfin has executed that final license and it is now fully in effect. Furthermore, as part of its license issuance process, MARAD consulted with the U.S. Fish & Wildlife Service (“FWS”) and the National Marine Fisheries Service (“NMFS”), pursuant to Section 7 of the Endangered Species Act, and both agencies concurred with MARAD’s determination that the project is not likely to adversely affect federally listed or proposed species or their critical habitats. In its March 1, 2024 request for an extension of time that resulted in Order No. 4028-D, Delfin had explained (at pages 25-26) that the FWS had already concurred with MARAD’s conclusion in this regard and that MARAD had requested NMFS’s concurrence as well.²¹ In its May 14, 2024 answer to protests of that extension request, Delfin addressed this issue further (at pages 11-12) and filed the relevant agency correspondence related to species impacts as Attachments 1 and 2 of that answer. DOE did not address this specific issue in Order No. 4028-D, presumably because it’s clearly irrelevant to an extension of time of an export commencement deadline. Even were these claims by CBD and Sierra Club of

¹⁹ See Exec. Order No. 14,154 of January 20, 2025, *Unleashing American Energy*, Section 8(b) – (d), 90 Fed. Reg. 8353, 8357-58 (Jan. 29, 2025), available at: <https://www.govinfo.gov/content/pkg/FR-2025-01-29/pdf/2025-01956.pdf>.

²⁰ See MARAD Press Release, “The Maritime Administration Issues the License for the Delfin LNG, LLC Deepwater Port Application” (March 21, 2025), available at: <https://www.maritime.dot.gov/newsroom/maritime-administration-issues-license-delfin-lng-llc-deepwater-port-application>.

²¹ NMFS also subsequently formally issued its concurrence with MARAD’s conclusions.

any relevance here, however, they are baseless and contrary to the conclusions of the relevant regulatory agencies.

In summary, nothing in the Protest raises any basis to question the “good cause” supporting an additional extension of time as detailed in Delfin’s Request. Therefore, as detailed in that Request, DOE should issue an order (1) amending Delfin’s existing export authorizations to reflect the current Project design with three FLNGVs and (2) amending the non-FTA export authorization to allow Delfin to commence export operations from the Delfin Deepwater Port by June 1, 2031, with no other changes in the existing authorizations. As also explained in the Request, this extension of time is necessary to remove potential regulatory uncertainty as Delfin progresses toward a positive FID on its first FLNG vessel, which is on course for achievement very soon. Accordingly, Delfin respectfully requests that DOE issue its order granting the Request as soon as possible.

Respectfully submitted,

/s/ J. Patrick Nevins

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Dated: July 18, 2025

Verification

State of District of Columbia)
City of Washington)
~~Pensacola~~)

SS:

William H. Daughdrill, being first duly sworn on his oath deposes and says: that he is the Chief Operating Officer of Delfin LNG LLC; that he is duly authorized to make this Verification; that he has read the foregoing submittal and is familiar with the contents thereof; that all the statements and matters contained therein are true and correct to the best of his information, knowledge and belief; and that he is authorized to execute and file the same with the U.S. Department of Energy.

William H. Daughdrill
William H. Daughdrill
Chief Operating Officer
Delfin LNG LLC

Sworn to and subscribed before me this 16th day of July, 2025



Glenna Dowd

Notary Public
In and For said City.

My Commission Expires: 3/31/2028

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I have this day served the foregoing document upon each person designated on the official service list compiled for this proceeding, as well as the representatives of the Center for Biological Diversity and Sierra Club identified in their July 3, 2025 Protest in this proceeding.

Dated at Washington, D.C., this 18th day of July, 2025.

/s/ J. Patrick Nevins

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