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

Mexico Pacific Limited LLC	)	Docket Nos. 18-70-LNG
	)	22-167-LNG

## ANSWER OF MEXICO PACIFIC LIMITED LLC TO MOTION FOR PROTECTIVE ORDER OF PUBLIC CITIZEN, INC., NATURAL RESOURCES DEFENSE COUNCIL AND SIERRA CLUB

Pursuant to Section 590.304(f) of the Department of Energy's ("DOE") regulations, Mexico Pacific Limited LLC ("MXP") hereby submits this Answer in response to the Motion for Protective Order of Public Citizen, Inc., Natural Resources Defense Council and Sierra Club (collectively referred to herein as "Public Citizen") filed in the captioned proceedings on June 25, 2025 (the "Motion"). The Motion requests that DOE issue a protective order in this proceeding to allow Public Citizen to obtain access to certain limited partnership and LLC agreements MXP filed under seal on May 30, 2025, and June 6, 2025, in connection with a change in control notification MXP submitted on March 5, 2025 ("MXP's CIC Notice") and supplemented on March 21 and May 30, 2025.

For the reasons set forth in this Answer, DOE's Office of Fossil Energy and Carbon Management ("DOE/FECM") should deny the Motion as it requests relief that is neither contemplated by DOE regulations nor necessary, given that there are existing procedures in place for obtaining documents filed with DOE under seal. Even if DOE/FECM were to fashion and adopt a protective order under which Public Citizen would be granted access to the agreements,

MXP's Second Supplement to CIC Notice Submitted March 5, 2025, Mexico Pacific Limited LLC, Docket

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

Nos. 18-70-LNG and 22-167-LNG (filed May 30, 2025) ("Second Supplement"). Answer of Mexico Pacific Limited LLC to Protest of Public Citizen, Inc., Natural Resources Defense Council

and Sierra Club, Docket Nos. 18-70-LNG and 22-167-LNG (filed June 6, 2025) ("MXP June 6 Answer").

this would not cure Public Citizen's failure to establish any basis on which DOE/FECM could find that MXP's pending change in control renders MXP's existing<sup>4</sup> and requested<sup>5</sup> authorizations to export liquified natural gas to non-FTA countries inconsistent with the public interest under NGA section 3(a).<sup>6</sup>

In support of its Answer, MXP states the following:

#### I. BACKGROUND

MXP's CIC Notice informed DOE/FECM that by means of transactions that closed effective as of February 3, 2025 and March 3, 2025, MXP's ownership changed such that Mexico Pacific Holdings, L.P. ("MXP Holdings"), a Delaware limited partnership, acquired voting control of MXP under a new limited liability company agreement. MXP's existence as a limited liability

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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.

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.

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

MXP's CIC Notice at 3.

company was continued under that agreement, and MXP remains the holder of the natural gas export authorizations granted in the captioned proceedings.<sup>8</sup>

On May 30, 2025, MXP submitted the Second Supplement notifying DOE/FECM that MXP had executed a Third Amended and Restated Limited Liability Company Agreement of Mexico Pacific Limited LLC, with effect as of March 31, 2025 (the "Third Amended MXP LLC Agreement"). That agreement amended and restated the Second Amended and Restated Limited Liability Company Agreement, identified MXP Holdings as MXP's sole member, and provided that the full and exclusive right, power and authority to manage MXP would be retained by and reserved to MXP Holdings. While not required by DOE regulations, with the Second Supplement MXP submitted the Third Amended MXP LLC Agreement to DOE/FECM, under seal.

On June 6, 2025, in response to the Public Citizen Protest, MXP filed the MXP June 6 Answer. With the MXP June 6 Answer, MXP submitted the Amended and Restated Agreement of Limited Partnership of Mexico Pacific Holdings, L.P. effective as of March 3, 2025 (the "Holdings LP Agreement"), under seal.

In its Motion, Public Citizen is now requesting that DOE/FECM issue a protective order in this proceeding. Although it offers no specifics as to the proposed content of this protective order, Public Citizen seems to be suggesting that it would agree in a protective order to assume certain confidentiality obligations on the basis of which it would demand access to the Third Amended MXP LLC Agreement and the Holdings LP Agreement.

Id.

Protest of Public Citizen, Inc., Natural Resources Defense Council and Sierra Club, and Intervention of Natural Resources Defense Council and Sierra Club, Docket Nos. 18-70-LNG and 22-167-LNG (filed May 22, 2025) ("Public Citizen Protest").

#### II. ANSWER

DOE/FECM should deny the Motion because it asks DOE/FECM to grant relief that is not available under the applicable DOE regulations. As Public Citizen concedes, <sup>10</sup> DOE regulations do not provide for issuance of a protective order under which a participant in a DOE/FECM proceeding may obtain access to information filed with DOE under seal. <sup>11</sup> Public Citizen's Motion seeks a form of relief that is in any event unnecessary because DOE regulations implementing the Freedom of Information Act (10 C.F.R. Part 1004) establish a process through access to agreements filed under seal may be obtained where specified criteria are satisfied.

But even if Public Citizen were to succeed in obtaining access to the Third Amended MXP LLC Agreement and the Holdings LP Agreement, this would change nothing. Public Citizen has offered no basis upon which DOE/FECM could find that the change in control described in the MXP CIC Notice has rendered MXP's existing non-FTA authorization, or would render the additional requested non-FTA authorization, inconsistent with the public interest. As MXP stated in its June 6 Answer, those challenging a change in control of a non-FTA export authorization holder or of an applicant for such an authorization must establish that the change in control would render an existing or requested non-FTA export authorization inconsistent with the public interest. Public Citizen has not made, nor can it make, such a showing.

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Motion at 2.

Public Citizen's citation to FERC regulations for guidance on this issue is misplaced. FERC regulations clearly require that a party filing material under seal (*i.e.*, material designated as "privileged") must also submit a proposed protective order. See 18 C.F.R. § 388.112(b)((2)(i) ("If a person files material as privileged material in a complaint proceeding or other proceeding to which a right to intervention exists, that person must include a proposed form of protective agreement with the filing, or identify a protective agreement that has already been filed in the proceeding that applies to the filed material."). There are no similar DOE regulations.

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"),

As it has in other change in control cases,<sup>13</sup> in these proceedings Public Citizen has advanced only unsubstantiated claims and speculation regarding the potential impact of a change in control of an export authorization holder/applicant (here, MXP).<sup>14</sup> Public Citizen offers no support for the notion that the identity of entities or individuals that may have the power to control MXP could or should have a bearing on DOE/FECM's decision whether it would be inconsistent with the public interest to give effect to the change in control MXP has described. Thus neither the Motion nor the Public Citizen Protest establish any grounds on which DOE/FECM may decline to accept the change in control described in MXP's CIC Notice. They are no more meritorious than other Public Citizen protests to change in control notices which DOE/FECM has recently addressed and rejected. *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]").

Consistent with DOE/FECM precedent, DOE/FECM should refuse Public Citizen's demand that DOE/FECM "compel disclosure of the investors, individuals and entities that own, direct and control" that entity. *Id.* at 9-10; *see also Cameron LNG, LLC, et al.*, DOE/FECM Order No. 4815 at 8-9 (rejecting Public Citizen protest to change in control notice on the basis that Public

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").

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.

Motion at 1 ("it is reasonable to assume that both documents contain details regarding the identity of what entities or individuals are empowered to exercise control of MXP – information that relates directly to the agency's determination of where the public interest lies.").

Citizen had failed to provide evidence to support its allegations regarding adverse impacts on U.S. citizens of foreign ownership of U.S. natural gas companies, finding "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)."). Having declined in comparable cases to compel disclosure of the identities of individual owners of an entity that controls an export authorization holder, DOE/FECM should conclude that the Public Citizen has presented no grounds on which it should reach a different result here.

#### III. CONCLUSION

For the foregoing reasons, and in accordance with directly applicable DOE/FECM precedent, <sup>15</sup> DOE/FECM should deny Public Citizen's Motion seeking a protective order as being procedurally inappropriate.

On the merits, DOE/FECM should find that the change in control described in MXP's CIC Notice and related supplemental submissions has not rendered MXP's existing non-FTA export authorization, and would not render MXP's 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. DOE/FECM should reach the same conclusion with respect to the additional non-FTA export authorization MXP has requested in Docket No. 22-167-LNG.

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American LNG Marketing LLC, Order Approving Change in Control, DOE/FECM Order No. 5172, Docket Nos. 14-209-LNG, et al. (Sept. 25, 2024); Cameron LNG, LLC, et al., Order Approving Change in Control, DOE/FECM Order No. 4815, Docket Nos. 11-145-LNG, et al. (May 3, 2022).

Respectfully submitted,

## MEXICO PACIFIC LIMITED LLC

By:

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Dated: July 10, 2025

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

Mexico Pacific Limited LLC	)	Docket Nos. 18-70-LNG
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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 July 10, 2025, and that the facts stated therein are true and correct to the best of my knowledge.

Electronically signed at Atlanta, GA, on July 10, 2025.

/s/Tyler R. Brown

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

Mexico Pacific Limited LLC	)	Docket Nos. 18-70-LNG
	)	22-167-LNG

### **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 July 10, 2025.

/s/Tyler R. Brown
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