



**Department of Energy**  
Washington, DC 20585

January 9, 2026

***Via Email***

Brett A. Snyder  
Blank Rome LLP  
1825 Eye Street NW  
Washington, DC 20006  
[brett.snyder@blankrome.com](mailto:brett.snyder@blankrome.com)

**RE: Statement of Change in Control**  
Port Arthur LNG Phase II, LLC  
Docket No. 20-23-LNG

Dear Mr. Snyder,

This correspondence constitutes the response of the Department of Energy (DOE), Office of Fossil Energy and Carbon Management (FECM),<sup>1</sup> to the Statement of Change in Control (Statement) filed on behalf of Port Arthur LNG Phase II, LLC (PALNG2) on October 2, 2025.<sup>2</sup> PALNG2 provides notice of a change in its upstream ownership, in light of DOE's Change in Control Procedures.<sup>3</sup>

**I. BACKGROUND**

PALNG2 is authorized to export domestically produced liquefied natural gas (LNG) by vessel from Trains 3 and 4 (the Expansion Project) of the proposed Port Arthur LNG terminal to be located in Jefferson County, Texas, under the following orders issued by DOE under section 3 of the Natural Gas Act (NGA):<sup>4</sup>

- DOE/FE Order No. 4562,<sup>5</sup> authorizing exports in a volume equivalent to 698 billion cubic feet per year (Bcf/yr) of natural gas to any country with which the United States currently has, or in the future will have, a free trade agreement (FTA) requiring

---

<sup>1</sup> The Office of Fossil Energy (FE) changed its name to the Office of Fossil Energy and Carbon Management on July 4, 2021.

<sup>2</sup> Port Arthur LNG Phase II, LLC, Statement of Change in Control, Docket No. 20-23-LNG (Oct. 2, 2025), <https://www.energy.gov/sites/default/files/2025-10/PALNG2%20CIC%20Statement.pdf> [hereinafter Statement].

<sup>3</sup> See U.S. Dep't of Energy, Procedures for Changes in Control Affecting Applications and Authorizations to Import or Export Natural Gas, 79 Fed. Reg. 65,541 (Nov. 5, 2014) [hereinafter DOE Change in Control Procedures].

<sup>4</sup> 15 U.S.C. § 717b.

<sup>5</sup> *Port Arthur LNG Phase II, LLC*, DOE/FE Order No. 4562, Docket No. 20-23-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations (July 14, 2020).

national treatment for trade in natural gas (FTA countries), pursuant to NGA section 3(c);<sup>6</sup> and

- DOE/FECM Order No. 5292, as amended,<sup>7</sup> authorizing exports in a volume equivalent to 698 Bcf/yr of natural gas to any other country with which trade is not prohibited by U.S. law or policy (non-FTA countries), pursuant to NGA section 3(a).<sup>8</sup>

Under these authorizations, the FTA and non-FTA volumes are not additive.

## II. DESCRIPTION OF CHANGE IN CORPORATE OWNERSHIP

According to PALNG2, the change in its upstream ownership “is the result of the subscription by a consortium led by Blackstone Credit and Insurance (‘Investor Members’), of a 49.90% interest in the equity of Port Arthur LNG Phase II Intermediate Company, LLC, the parent of PALNG2 (the ‘Transaction’).”<sup>9</sup> The Transaction took place on September 22, 2025, “following the final investment decision of SI Partners (defined below) and affiliates to build the PALNG2 export project.”<sup>10</sup>

PALNG2 summarizes the ownership of PALNG2 prior to the Transaction as follows:

[PALNG2] is wholly owned by Port Arthur LNG Phase II Intermediate Company, LLC (‘Phase II JVCo’), which in turn was wholly owned by Port Arthur Liquefaction Holdings Phase II, LLC (‘Strategic Member’), which in turn is wholly owned by Sempra PALNG Expansion Development Company, LLC, which in turn is wholly owned by Sempra LNG Holding, LP, which in turn is wholly owned by Sempra Global Holdings, LP, which in turn is wholly owned by Sempra Infrastructure Partners, LP (‘SI Partners’), which in turn is 70% owned by Sempra, 20% owned by KKR Pinnacle Investor, L.P., a subsidiary of KKR & Co. Inc., and 10% owned by Black Silverback ZC 2022 LP, a wholly owned indirect subsidiary of Abu Dhabi Investment Authority.<sup>11</sup>

PALNG2 states that, following the Transaction, “the Investor Members, namely BX Frontier Member I LLC and BX Frontier Member II LLC, now own a 40.0% and 9.9% equity interest,

---

<sup>6</sup> 15 U.S.C. § 717b(c). The United States currently has FTAs requiring national treatment for trade in natural gas with Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore. FTAs with Israel and Costa Rica do not require national treatment for trade in natural gas.

<sup>7</sup> *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), *amended by* DOE/FECM Order No. 5292-A (June 30, 2025) (adding Make-Up Period).

<sup>8</sup> 15 U.S.C. § 717b(a).

<sup>9</sup> Statement at 1.

<sup>10</sup> *Id.* at 2.

<sup>11</sup> *Id.* In Appendix A to the Statement, PALNG2 provides a chart illustrating its ownership structure prior to the close of the Transaction on September 22, 2025.

respectively, in Phase II JVCo, the parent company of PALNG2.”<sup>12</sup> PALNG2 further states that, “[p]ost-consummation, SI Partners will maintain operational control of PALNG2 as the operator of PALNG2 and, through Strategic Member, a 50.1% ownership interest in Phase II JVCo, with Investor Members having certain customary minority protections, including the ability to appoint members of the board that will manage Phase II JVCo.”<sup>13</sup>

Additionally, PALNG2 states that BX Frontier Member I LLC is wholly owned by BX Frontier Member I Holdings LLC, which is 50.1% indirectly controlled by Blackstone Inc. and 49.9% indirectly controlled by affiliates of KKR & Co. Inc., Apollo Global Management, Inc., and Goldman Sachs Asset Management.<sup>14</sup> PALNG2 adds that BX Frontier Member II LLC is wholly owned by Blackstone Private Credit Fund, which is indirectly controlled by Blackstone Inc.<sup>15</sup>

### **III. DISCUSSION AND CONCLUSIONS**

DOE construes a change in control to mean a change, directly or indirectly, of the power to direct the management or policies of an entity, whether such power is exercised through one or more intermediary companies or pursuant to an agreement, written or oral, and whether such power is established through ownership or voting of securities, or common directors, officers, or stockholders, or voting trusts, holding trusts, or debt holdings, or contract, or any other direct or indirect means.<sup>16</sup> A rebuttable presumption that control exists will arise from the ownership or the power to vote, directly or indirectly, 10% or more of the voting securities of such entity.<sup>17</sup>

PALNG2 acknowledges, and we find, that the change in its upstream ownership resulting from the Transaction constitutes a change in control under DOE’s change in Control Procedures.<sup>18</sup>

#### **A. FTA Export Authorization**

DOE’s Change in Control Procedures provide that, upon receipt of a statement of change in control relating to an existing FTA authorization, DOE will give immediate effect to the change in control and will take no further action.<sup>19</sup> Accordingly, the change in control described above has taken effect insofar as it relates to the PALNG2’s FTA authorization, DOE/FE Order No. 4562.

---

<sup>12</sup> *Id.*

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

<sup>15</sup> Statement at 3. In Appendix B to the Statement, PALNG2 provides a chart illustrating its ownership structure following the Transaction.

<sup>16</sup> See DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

<sup>17</sup> See *id.*

<sup>18</sup> See Statement at 1, 3.

<sup>19</sup> DOE Change in Control Procedures, 79 Fed. Reg. at 65,542.

## **B. Non-FTA Export Authorization**

DOE's Change in Control Procedures state that, with respect to existing non-FTA authorizations, DOE will give effect to the change in control and will publish a notice of the change in the *Federal Register*.<sup>20</sup> If no interested person protests the change in control and DOE takes no action on its own motion, the amendment to the existing non-FTA authorization will be deemed granted 30 days after publication in the *Federal Register*.<sup>21</sup>

Consistent with these procedures, DOE published a notice of PALNG2's change in control in the *Federal Register* on November 18, 2025 (Notice).<sup>22</sup> DOE invited protests, motions to intervene, and written comments to be filed no later than December 3, 2025.<sup>23</sup> In response to the Notice, DOE received one timely-filed comment submitted by Mr. James Hunter Poole.<sup>24</sup> As Mr. Poole does not address PALNG2's change in control described in the Statement,<sup>25</sup> we find that the comment is non-responsive.

Because more than 30 days have passed since the Notice was published in the *Federal Register*, the change in control with respect to PALNG2's non-FTA authorization, DOE/FECM Order No. 5292, as amended, is deemed granted. No further action is required.

Sincerely,

Amy R. Sweeney  
Director, Office of Regulation, Analysis, and Engagement  
Office of Resource Sustainability

cc: Jerrod L. Harrison, Sempra Infrastructure

---

<sup>20</sup> *See id.*

<sup>21</sup> *Id.*

<sup>22</sup> U.S. Dep't of Energy, Change in Control; Port Arthur LNG Phase II, LLC, 90 Fed. Reg. 51,728 (Nov. 18, 2025).

<sup>23</sup> *Id.*

<sup>24</sup> *See* Comment of James Hunter Poole, Docket No. 20-23-LNG (Nov. 30, 2025).

<sup>25</sup> *See id.* and Attachments.