

[6450-01-P]

DEPARTMENT OF ENERGY

Sabine Pass Liquefaction, LLC	[FE Docket No. 10-111-LNG]
Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC	[FE Docket No. 12-97-LNG]
Sabine Pass Liquefaction, LLC	[FE Docket No. 13-30-LNG]
Sabine Pass Liquefaction, LLC	[FE Docket No. 13-42-LNG]
Sabine Pass Liquefaction, LLC	[FE Docket No. 13-121-LNG]
Cheniere Marketing, LLC,	[FE Docket No. 14-31-LNG]
Sabine Pass Liquefaction, LLC	[FE Docket No. 14-92-LNG]
Sabine Pass Liquefaction, LLC	[FE Docket No. 15-63-LNG]
Sabine Pass Liquefaction, LLC	[FE Docket No. 15-171-LNG]

Cheniere Marketing, LLC & Corpus Christi Liquefaction, LLC, Cheniere Marketing, LLC, Corpus Christi Liquefaction, LLC, Sabine Pass Liquefaction, LLC, Statement Regarding Change in Control

AGENCY: Office of Fossil Energy, DOE.

ACTION: Notice of change in control.

SUMMARY: The Office of Fossil Energy (FE) of the Department of Energy (DOE) gives notice (Notice) of receipt of a statement regarding change in control, filed January 15, 2016 (Statement), by Cheniere Marketing, LLC (CMI), Corpus Christi Liquefaction, LLC (CCL), and Sabine Pass Liquefaction, LLC (SPL) in the above-referenced dockets. The Statement updates equity ownership information regarding Cheniere Energy, Inc. (Cheniere), a publicly-traded company.

DATES: Protests, motions to intervene or notices of intervention, as applicable, and written comments are to be filed using procedures detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, **[INSERT DATE 15 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

ADDRESSES:

Electronic Filing by email:

fergas@hq.doe.gov

Regular Mail

U.S. Department of Energy (FE-34)
Office of Regulation and International Engagement
Office of Fossil Energy
P.O. Box 44375
Washington, DC 20026-4375

Hand Delivery or Private Delivery Services (e.g., FedEx, UPS, etc.)

U.S. Department of Energy (FE-34)
Office of Regulation and International Engagement
Office of Fossil Energy
Forrestal Building, Room 3E-042
1000 Independence Avenue, SW
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FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

CMI is a limited liability company organized under the laws of Delaware, and a wholly-owned direct subsidiary of Cheniere. CCL is a limited liability company organized under the laws of Delaware, and a wholly-owned indirect subsidiary of Cheniere. SPL is a limited liability company organized under the laws of Delaware, and a wholly-owned indirect subsidiary of Cheniere Energy Partners, L.P. (CQP), a publicly-traded limited partnership that is, in turn, an indirect subsidiary of Cheniere.

The Statement refers to numerous proceedings before DOE/FE involving exports and imports of LNG and natural gas to and from countries with which the United States has entered into a free trade agreement requiring national treatment for trade in natural gas (FTA countries) and other countries (non-FTA countries). Consistent with the revised procedures established by DOE/FE for reviewing changes in control (CIC Revised Procedures),¹ this Notice addresses only those Cheniere dockets in which final authorizations have been issued to export liquefied natural gas (LNG) to non-FTA countries.² The Table in this section identifies the proceedings addressed by this Notice:

FE Docket No.	DOE/FE Order No.	Authorization Holder
10-111-LNG	2961-A	Sabine Pass Liquefaction, LLC

¹ 79 FR 65541 (Nov. 5, 2014).

² The Statement also identifies multiple other proceedings among the Cheniere companies affected by the change in control, including proceedings filed under Section 3(c) of the Natural Gas Act, 15 U.S.C. 717b(c) for exports to free trade agreement (FTA) countries, and proceedings seeking authority for LNG imports. Consistent with the Revised CIC Procedures, DOE gives immediate effect to these changes. *See* 79 FR at 65542. These proceedings include: FE Docket No. 10-85-LNG (DOE/FE Order 2833), FE Docket No. 12-99-LNG (DOE/FE Order No. 3164), FE Docket No. 14-31-LNG (DOE/FE Order No. 3442), and FE Docket No. 14-186-NG (DOE/FE Order No. 3578). Among the proceedings identified in the Statement, CCL currently has one application pending before DOE/FE in FE Docket No. 15-97-LNG, in which it is requesting authorization to export LNG to non-FTA countries. Consistent with DOE's Revised CIC Procedures, DOE gives immediate effect to the amendment of the pending application in that docket represented by the change in control described in the Statement. Furthermore, DOE will only accept comments in response to the Statement in FE Docket No. 15-97-LNG from parties to that proceeding. *See* 79 FR at 65542.

12-97-LNG	3638	Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC
13-30-LNG	3669	Sabine Pass Liquefaction, LLC
13-42-LNG	3669	Sabine Pass Liquefaction, LLC
13-121-LNG	3669	Sabine Pass Liquefaction, LLC
14-31-LNG	3442	Cheniere Marketing, LLC,
15-63-LNG	3792	Sabine Pass Liquefaction, LLC
15-171-LNG	3767	Sabine Pass Liquefaction, LLC

The Statement asserts the following Carl Icahn-affiliated investment vehicles, together with Mr. Icahn individually, beneficially own, in the aggregate, approximately 13.8% of Cheniere’s issued and outstanding common stock: High River Limited Partnership, Hopper Investments, LLC, Barberry Corp., Icahn Partners Master Fund LP, Icahn Offshore LP, Icahn Onshore LP, Icahn Capital LP, IPH GP LLC, Icahn Enterprises Holdings L.P., Icahn Enterprises G.P. Inc., and Beckton Corp. (the “Icahn Companies”). The Icahn Companies’ acquisition of Cheniere common stock resulted from multiple open-market transactions. Cheniere has also appointed to its Board of Directors (“Board”), of which there are now eleven members, two individuals who are managing directors of Icahn Capital L.P.

Further, the Statement asserts the following Seth Klarman-affiliated investment vehicles, together with Mr. Klarman individually, beneficially own, in the aggregate, approximately 15.01% of Cheniere’s issued and outstanding common stock: The Baupost Group, L.L.C. and SAK Corporation (the “Klarman Companies”). The Klarman Companies’ acquisition of Cheniere common stock resulted from multiple open-market transactions on behalf of various

private investment limited partnerships for which The Baupost Group, L.L.C. acts as an investment adviser and general partner.

The Statement recognizes that the ownership interests acquired by the Icahn Companies' and the Klarman Companies' in Cheniere's common stock may trigger the 10% rebuttable presumption of a change in control for CCL and CMI. However, the Statement asserts that the presumption is rebutted as to CCL and CMI because (1) there has been no change in ownership of CCL or CMI, and one or both of them will remain the holder(s) of their respective authorizations and, in the case of CCL, the applicant in Docket No. 15-97-LNG; (2) there has been no change in operation or manner in which CCL and CMI are managed; and (3) the transactions described in the Statement did not grant the Icahn Companies or the Klarman Companies the power to direct the management or policies of CCL or CMI, or provide a veto right over other shareholders.

With respect to SPL, the Statement asserts that the Icahn Companies' and the Klarman Companies' transactions do not trigger the 10% rebuttable presumption because the indirect ownership stakes of the Icahn Companies and the Klarman Companies in SPL do not equate to 10% or more of the outstanding voting securities for SPL. Additionally, the Statement asserts that even were DOE to determine that the 10% threshold had been reached, the presumption is rebutted because (1) there has been no change in ownership of SPL and it will remain the holder of its current authorizations and the applicant in Docket No. 15-63-LNG; (2) there has been no change in the operation or manner in which SPL is managed or the terms of its associated export operations; and (3) neither the Icahn Companies or the Klarman Companies have acquired the power to direct the management or policies of SPL or a veto right over other shareholders.

Additional details can be found in the Statement, posted on the DOE/FE website at:
http://www.fossil.energy.gov/programs/gasregulation/authorizations/2012_applications/CCL-CMI_and_SPL_Equity_Ownership_Change0.pdf

DOE/FE will review the Statement in accordance with its Procedures for Changes in Control Affecting Applications and Authorizations to Import or Export Natural Gas (CIC Procedures). Pursuant to the Revised CIC Procedures, DOE/FE will (1) give immediate effect to the amendment of pending applications for non-FTA export authorizations and modifications of previously issued non-FTA export authorizations, but will accept and consider answers to these amendments and modifications in response to this Notice before taking further action; and (2) give immediate effect to the modification of pending applications for FTA export authorizations, pending applications for natural gas import authorizations, previously issued FTA export authorizations, and previously issued natural gas import authorizations, but no further action will be taken as to these proceedings.

Protests, motions to intervene, notices of intervention, and written comments are invited in response to this Notice only as to the amendment of previously issued non-FTA export authorizations, as described. *See also*, n.2, *supra*.

DOE/FE Evaluation

DOE will give effect to the change in control in accordance with its CIC procedures. Interested persons will be provided 15 days from the date of publication of this Notice in the Federal Register in order to move to intervene, protest, and answer the statement of change in control. If no interested person protests the change in control and DOE takes no action on its own motion, the amendment will be deemed granted 30 days after publication in the Federal Register. If one or more protests are submitted, DOE will review any motions to intervene,

protests, and answers, and will issue a determination as to whether the proposed change in control has been demonstrated to render the underlying authorization inconsistent with the public interest.

Public Comment Procedures

In response to this Notice, interested persons will be provided 15 days from the date of publication of this Notice in order to move to intervene, protest, and answer the statement of change in control. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by DOE's regulations in 10 CFR part 590.

Filings may be submitted using one of the following methods: (1) preferred method: e-mailing the filing to fergas@hq.doe.gov, with the individual FE Docket Number(s) in the title line, or Cheniere Change in Control in the title line to include all applicable dockets in this Notice; (2) mailing an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**; or (3) hand delivering an original and three paper copies of the filing to the Office of Regulation and International Engagement at the address listed in **ADDRESSES**. All filings must include a reference to the individual FE Docket Number(s) in the title line, or Cheniere Change in Control in the title line to include all applicable dockets in this Notice. PLEASE NOTE: If submitting a filing via email, please include all related documents and attachments (e.g., exhibits) in the original email correspondence. Please do not include any active hyperlinks or password protection in any of the documents or attachments related to the filing. All electronic filings submitted to DOE must follow these guidelines to ensure that all documents are filed in a timely manner. Any hardcopy filing submitted greater in length than 50 pages must also include, at the time of the filing, a digital copy on disk of the entire submission.

Additional procedures will be used as necessary to achieve a complete understanding of the facts and issues. If an additional procedure is scheduled, notice will be provided to all parties. If no party requests additional procedures, a final order may be issued based on the official record in accordance with 10 CFR 590.316.

The Notice is available for inspection and copying in the Office of Regulation and International Engagement docket room, Room 3E-042, 1000 Independence Avenue, SW, Washington, D.C., 20585. The docket room is open between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday, except Federal holidays.

The Notice and any filed protests, motions to intervene or notice of interventions, and comments will also be available electronically by going to the following DOE/FE Web address: <http://www.fe.doe.gov/programs/gasregulation/index.html>.

Issued in Washington, D.C., on April 8, 2016.



John A. Anderson
Director, Office of Regulation and International Engagement
Office of Oil and Natural Gas