

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

CORPUS CHRISTI LIQUEFACTION)
STAGE III, LLC) FE DOCKET NO. 18-78-LNG
)

ORDER GRANTING LONG-TERM, MULTI-CONTRACT AUTHORIZATION
TO EXPORT LIQUEFIED NATURAL GAS BY VESSEL FROM THE
PROPOSED STAGE 3 LNG FACILITIES TO BE LOCATED AT THE
CORPUS CHRISTI LNG TERMINAL IN SAN PATRICIO AND NUECES
COUNTIES, TEXAS, TO FREE TRADE AGREEMENT NATIONS

DOE/FE ORDER NO. 4277

NOVEMBER 9, 2018

I. DESCRIPTION OF REQUEST

On June 29, 2018, Corpus Christi Liquefaction Stage III, LLC (CCL Stage III) filed an Application¹ with the Office of Fossil Energy (FE) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA)² requesting long-term, multi-contract authorization to export domestically produced liquefied natural gas (LNG) in a volume equivalent to 582.14 billion cubic feet (Bcf) per year (Bcf/yr) of natural gas (1.59 Bcf per day (Bcf/d)).³ CCL Stage III seeks to export this LNG by vessel from proposed natural gas liquefaction and export facilities (Stage 3 LNG Facilities) associated with the Stage 3 Project⁴ to be located at the existing Corpus Christi LNG Terminal in San Patricio and Nueces Counties, Texas.⁵ CCL Stage III is developing the Stage 3 LNG Facilities as an expansion of the Corpus Christi Liquefaction Project, which is already the subject of several DOE/FE export authorizations granted to CCL Stage III's affiliates, Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC (collectively, Corpus Christi).⁶

In the Application, CCL Stage III requests authorization to export this LNG to: (i) any country with which the United States has entered into a free trade agreement (FTA) requiring

¹ Corpus Christi Liquefaction Stage III, LLC, Application for Long-Term Authorization to Export Liquefied Natural Gas to Free Trade Agreement Nations and Non-Free Trade Agreement Nations, FE Docket No. 18-78-LNG (June 29, 2018) [hereinafter App.].

² The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA (15 U.S.C. § 717b) has been delegated to the Assistant Secretary for FE in Redelegation Order No. 00-006.02 issued on November 17, 2014.

³ CCL Stage III states that 582.14 Bcf/yr of natural gas is equivalent to 11.45 million metric tons per annum (mtpa) of LNG. *See* App. at 1 & n.3.

⁴ The Stage 3 Project means the Stage 3 LNG Facilities, together with the Stage 3 Pipeline, which is being developed by Cheniere Corpus Christi Pipeline, L.P. *See* App. at 1 n.5.

⁵ The Federal Energy Regulatory Commission (FERC) authorized the construction and operation of three liquefaction trains (*i.e.*, Trains 1-3) at the Liquefaction Project site with a combined capacity of 767 Bcf/yr of natural gas (2.1 Bcf/d). *See Corpus Christi Liquefaction, LLC, et al.*, Order Granting Authorization Under Section 3 of the Natural Gas Act and Issuing Certificates, 149 FERC ¶ 61,283 (Dec. 30, 2014), *reh'g denied*, 151 FERC ¶ 61,098 (May 6, 2015).

⁶ *See supra* § II (Procedural History).

national treatment for trade in natural gas (FTA countries)⁷ for a 25-year term, and (ii) any other country with which trade is not prohibited by U.S. law or policy (non-FTA countries)⁸ for a 20-year term.

CCL Stage III seeks to export this LNG on its own behalf and as agent for other entities that will hold title to the LNG at the time of export. CCL Stage III requests that this authorization commence on the earlier of the date of first commercial export of LNG produced by the proposed Stage 3 LNG Facilities or seven years from the date this authorization is issued.⁹ CCL Stage III further requests authorization to continue exporting for a total of three years following the end of each export term requested, solely to export any Make-Up Volumes that it is unable to export during the original export period.¹⁰

The portion of CCL Stage III's Application that seeks authorization to export domestically produced LNG to FTA countries is being reviewed pursuant to NGA section 3(c), 15 U.S.C. § 717b(c), and approved in this Order. The portion of the Application that seeks authorization to export domestically produced LNG to non-FTA countries will be reviewed pursuant to NGA section 3(a), 15 U.S.C. § 717b(a), and will be addressed in a separate order.¹¹

⁷ 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.

⁸ 15 U.S.C. § 717b(a).

⁹ App. at 4-5.

¹⁰ DOE/FE previously has defined "Make-up Volumes" to mean the difference between the authorized LNG export volume and the actual LNG export volume during the export term authorized by DOE/FE. *See Freeport LNG Expansion, L.P., et al.*, DOE/FE Order Nos. 3282-B & 3357-A, FE Docket Nos. 10-161-LNG & 11-161-LNG, Order Amending DOE/FE Order Nos. 3282 and 3357, at 4-9 (June 6, 2014); App. at 5 n.13.

¹¹ *See Corpus Christi Liquefaction Stage III, LLC, Notice of Application, Application for Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Nations*, 83 Fed. Reg. 40,269 (Aug. 14, 2018).

II. BACKGROUND

Applicant. CCL Stage III is a Delaware limited liability company with its principal place of business in Houston, Texas. CCL Stage III is a wholly owned subsidiary of Cheniere Energy, Inc. (Cheniere), a Delaware corporation with its principal place of business in Houston, Texas. Cheniere is a developer of LNG import and export terminals and natural gas pipelines on the Gulf Coast.

Procedural History. This Order is the first export authorization granted to CCL Stage III. Procedural history related to the Corpus Christi LNG Terminal includes the following:

- In FE Dockets No. 12-97-LNG and 12-99-LNG, CCL Stage III's affiliates—Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC (collectively, Corpus Christi)—hold long-term authorizations to export LNG from the Corpus Christi Liquefaction Project to FTA and non-FTA countries in a total, non-additive volume equivalent to 767 Bcf/yr of natural gas, pursuant to DOE/FE Order Nos. 3164-A¹² and 3638,¹³ respectively.
- In FE Docket No. 18-137-LNG, Corpus Christi holds short-term blanket authorizations to export LNG from the Corpus Christi Liquefaction Project to FTA and non-FTA countries, pursuant to DOE/FE Order Nos. 4263¹⁴ and 4298,¹⁵ respectively.

¹² *Cheniere Marketing, LLC*, DOE/FE Order No. 3164, FE Docket No. 12-99-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Corpus Christi Liquefaction Project to Free Trade Agreement Nations (Oct. 16, 2012), *amended Cheniere Marketing, LLC*, DOE/FE Order Nos. 3538 and 3164-A, FE Docket Nos. 12-97-LNG and 12-99-LNG, Order Amending Application in Docket No. 12-97-LNG to Add Corpus Christi LNG, LLC as Applicant, and Granting Request in DOE/FE Order No. 3164, Docket No. 12-99-LNG, to Add Corpus Christi Liquefaction, LLC as Authorization Holder (Oct. 29, 2014).

¹³ *Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC*, DOE/FE Order No. 3638, FE Docket No. 12-97-LNG, Final Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Corpus Christi Liquefaction Project to be Located in Corpus Christi, Texas to Non-Free Trade Agreement Nations (May 12, 2015).

¹⁴ *Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC*, DOE/FE Order No. 4263, FE Docket No. 18-137-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas by Vessel from the Corpus Christi Liquefaction Project Located in Corpus Christi, Texas, to Free Trade Agreement Nations (Sept. 28, 2018).

¹⁵ *Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC*, DOE/FE Order No. 4298, FE Docket No. 18-137-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas by Vessel from the Corpus

- Previously, in FE Docket No. 15-97-LNG, Corpus Christi Liquefaction, LLC filed an application requesting long-term authorization to export LNG from a proposed Stage III project to FTA and non-FTA countries. DOE/FE granted the FTA portion of that application in Order No. 3699 on August 27, 2015, but subsequently vacated the order on July 24, 2018, at Corpus Christi Liquefaction, LLC's request. As part of the same request¹⁶, Corpus Christi Liquefaction, LLC withdrew the pending non-FTA application.

Proposed Liquefaction Facilities. CCL Stage III states that the Stage 3 LNG Facilities will be an expansion of the Corpus Christi Liquefaction Project, which was previously approved by FERC at the existing Corpus Christi LNG Terminal.¹⁷ According to CCL Stage III, the Stage 3 Facilities will include seven mid-scale liquefaction trains, a LNG storage tank, and associated appurtenant facilities. CCL Stage III states that the seven liquefaction trains will each have a nameplate capacity of 1.36 mtpa of LNG and a maximum capacity of approximately 1.64 mtpa. In total, the proposed Stage 3 LNG Facilities will have the capacity to produce up to approximately 11.45 mtpa of LNG, equivalent to the requested export volume of 582.14 Bcf/yr of natural gas.¹⁸

Source of Supply. The Stage 3 LNG Facilities, as part of the Corpus Christi LNG Terminal, will receive natural gas from the interstate and intrastate grid at points of interconnection with other pipelines. Through these interconnections, the Corpus Christi LNG Terminal will have access to virtually any point on the U.S. interstate pipeline system through

Christi Liquefaction Project Located in Corpus Christi, Texas, to Non-Free Trade Agreement Nations (Nov. 1, 2018).

¹⁶ *Corpus Christi Liquefaction, LLC*, DOE/FE Order No. 3699-A, FE Docket No. 15-97-LNG, Order Granting Request To Vacate Long-Term, Multi-Contract Authorization To Export LNG by Vessel To Free Trade Agreement Nations and to Withdraw Application to Export LNG by Vessel to Non-Free Trade Agreement Nations (July 24, 2018); *see also* App. at 3-4.

¹⁷ *See supra* note 5; *see* App. at 1 n.4.

¹⁸ App. at 1, 4.

direct delivery or by displacement.¹⁹

Business Model. CCL Stage III requests this authorization on its own behalf and as agent for other entities that will hold title to the LNG at the time of export. CCL Stage III LNG states that, to date, it has not entered into any contracts for natural gas supply or LNG exports. However, CCL Stage III states that it will file all long-term, binding contracts associated with the export of LNG from the Stage 3 Project, once executed, in accordance with DOE's established policy and will comply with all DOE/FE requirements for exporters and agents, including registration requirements. CCL Stage III further states that, when acting as agent, it will register with DOE/FE each LNG title holder for which it seeks to export LNG as agent, and will comply with other registration requirements as set forth in recent DOE/FE orders.²⁰

III. FINDINGS

(1) Section 3(c) of the NGA was amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486) to require that applications requesting authority for (a) the import and export of natural gas, including LNG, from and to a nation with which there is in effect a FTA requiring national treatment for trade in natural gas, and/or (b) the import of LNG from other international sources, be deemed consistent with the public interest and granted without modification or delay. This Application falls within section 3(c), as amended, and therefore, DOE/FE is charged with granting the requested FTA authorization without modification or delay.²¹

(2) In light of DOE's statutory obligation to grant this Application without modification

¹⁹ See *Cheniere Marketing, LLC and Corpus Christi Liquefaction, LLC*, DOE/FE Order No. 3638, at 21-22.

²⁰ App. at 5-6.

²¹ DOE further finds that the requirement for public notice of applications and other hearing-type procedures in 10 C.F.R. Part 590, are applicable only to applications seeking to export natural gas, including LNG, to countries with which the United States does not have a FTA requiring national treatment for trade in natural gas.

or delay, there is no need for DOE/FE to review other arguments asserted by CCL Stage III in support of the Application. The instant grant of authority should not be read to indicate DOE/FE's views on those arguments or on CCL Stage III's request for non-FTA export authorization.

(3) The countries with which the United States has a FTA requiring national treatment for trade in natural gas currently are: Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore.

(4) As described above, CCL Stage III requests authorization to export LNG on its own behalf and as agent for other entities who hold title to the LNG at the time of export. DOE/FE previously addressed the issue of Agency Rights in DOE/FE Order No. 2913,²² which granted Freeport LNG Expansion, L.P., *et al.* (collectively, FLEX) authority to export LNG to FTA countries. In that order, DOE/FE approved a proposal by FLEX to register each LNG title holder for whom FLEX sought to export LNG as agent. DOE/FE found that this proposal was an acceptable alternative to the non-binding policy adopted by DOE/FE in *The Dow Chemical Company*, which established that the title for all LNG authorized for export must be held by the authorization holder at the point of export.²³ We find that the same policy considerations that supported DOE/FE's acceptance of the alternative registration proposal in DOE/FE Order No. 2913 apply here as well.

DOE/FE reiterated its policy on Agency Rights procedures in other authorizations,

²² *Freeport LNG Expansion, L.P., et al.*, DOE/FE Order No. 2913, FE Docket No. 10-160-LNG, Order Granting Long-Term Authorization to Export Liquefied Natural Gas from Freeport LNG Terminal to Free Trade Nations (Feb. 10, 2011).

²³ *The Dow Chemical Company*, DOE/FE Order No. 2859, FE Docket No. 10-57-LNG, Order Granting Blanket Authorization to Export Liquefied Natural Gas, at 7-8 (Oct. 5, 2010), discussed in *Freeport LNG*, DOE/FE Order No. 2913, at 7-8.

including *Cameron LNG, LLC*, DOE/FE Order No. 3680.²⁴ In that order, DOE/FE determined that, in LNG export orders in which Agency Rights have been granted, DOE/FE shall require registration materials filed for, or by, an LNG title-holder (Registrant) to include the same company identification information and long-term contract information of the Registrant as if the Registrant had filed an application to export LNG on its own behalf.²⁵

To ensure that the public interest is served, the authorization granted herein shall require that where CCL Stage III proposes to export LNG as agent for other entities who hold title to the LNG (Registrants), CCL Stage III must register with DOE/FE those entities on whose behalf it will export LNG in accordance with the procedures and requirements described herein.

(5) Section 590.202(b) of DOE's regulations requires applicants to supply transaction-specific factual information "to the extent practicable."²⁶ Additionally, DOE regulations at 10 C.F.R. § 590.202(e) allow confidential treatment of the information supplied in support of or in opposition to an application if the submitting party requests such treatment, shows why the information should be exempted from public disclosure, and DOE determines it should be afforded confidential treatment in accordance with 10 C.F.R. § 1004.11.

(6) DOE/FE will require that CCL Stage III file or cause to be filed with DOE/FE any relevant long-term commercial agreements or contracts pursuant to which CCL Stage III exports LNG as agent for a Registrant once those agreements or contracts have been executed. DOE/FE finds that the submission of all such agreements or contracts within 30 days of their execution using the procedures described below will be consistent with the "to the extent practicable"

²⁴ *Cameron LNG, LLC*, DOE/FE Order No. 3680, FE Docket No. 15-36-LNG, Order Granting Long-Term Multi-Contract Authorization to Export Liquefied Natural Gas By Vessel from the Cameron LNG Terminal in Cameron and Calcasieu Parishes, Louisiana, to Free Trade Agreement Nations (July 10, 2015).

²⁵ See *id.* at 7-8.

²⁶ 10 C.F.R. § 590.202(b).

requirement of section 590.202(b). By way of example and without limitation, a “relevant long-term commercial agreement” would include an agreement with a minimum term of two years, such as a long-term purchase and sales agreement involving LNG stored or liquefied at the Stage 3 LNG Facilities.

(7) DOE/FE also will require CCL Stage III to file any long-term contracts CCL Stage III enters into providing for the long-term export of LNG on its own behalf from the Stage 3 LNG Facilities. DOE/FE finds that the submission of these contracts within 30 days of their execution using the procedures described below will be consistent with the “to the extent practicable” requirement of section 590.202(b).

(8) In addition, DOE/FE finds that section 590.202(c) of DOE/FE’s regulations²⁷ requires that CCL Stage III file, or cause to be filed, all long-term contracts associated with the long-term supply of natural gas to the Stage 3 LNG Facilities, whether signed by CCL Stage III or the Registrant, within 30 days of their execution.

(9) DOE/FE recognizes that some information in CCL Stage III’s or a Registrant’s long-term commercial agreements associated with the export of LNG, and/or long-term contracts associated with the long-term supply of natural gas to the Stage 3 LNG Facilities, may be commercially sensitive. DOE/FE therefore will provide CCL Stage III the option to file or cause to be filed either unredacted contracts, or in the alternative: (A) CCL Stage III may file, or cause to be filed, long-term contracts under seal, but it also will file either: i) a copy of each long-term contract with commercially sensitive information redacted, or ii) a summary of all major provisions of the contract(s) including, but not limited to, the parties to each contract, contract term, quantity, any take-or-pay or equivalent provisions/conditions, destination, re-sale

²⁷ *Id.* § 590.202(c).

provisions, and other relevant provisions; and (B) the filing must demonstrate why the redacted or non-disclosed information should be exempted from public disclosure.

To ensure that DOE/FE destination and reporting requirements included in the Order are conveyed to subsequent title holders, DOE/FE will include as a condition of this authorization that future contracts for the sale or transfer of LNG exported pursuant to the Order shall include an acknowledgement of these requirements.

(10) CCL Stage III will be permitted to continue exporting for a total of three years following the end of the 25-year term established in this Order, solely to export any Make-Up Volume that it was unable to export during the original export period. The three-year term during which the Make-Up Volume may be exported shall be known as the “Make-Up Period.” The Make-Up Period does not affect or modify the total volume of LNG authorized in this Order. Insofar as CCL Stage III may seek to export additional volumes not previously authorized for export, it will be required to obtain appropriate authorization from DOE/FE.

ORDER

Pursuant to section 3 of the NGA, it is ordered that:

A. Corpus Christi Liquefaction Stage III, LLC (CCL Stage III) is authorized to export domestically produced LNG by vessel from the proposed Stage 3 LNG Facilities, to be located at the existing Corpus Christi LNG Terminal in San Patricio and Nueces Counties, Texas. The volume authorized in this Order is equivalent to approximately 582.14 Bcf/yr of natural gas for a 25-year term, beginning on the earlier of the date of first commercial export of LNG produced by the Stage 3 LNG Facilities or seven years from the date the authorization is issued. CCL Stage III is authorized to export this LNG on its own behalf and as agent for other entities who hold title to the natural gas, pursuant to one or more long-term contracts (a contract greater than two

years).

CCL Stage III may continue exporting for a total of three years following the end of the 25-year export term, solely to export any Make-Up Volume that it was unable to export during the original export period. The three-year Make-Up Period allowing the export of Make-Up Volumes does not affect or modify the maximum volume of LNG authorized for export in this Order. Insofar as CCL Stage III may seek to export additional volumes not previously authorized for export, it will be required to obtain appropriate authorization from DOE/FE.

B. This LNG may be exported to Australia, Bahrain, Canada, Chile, Colombia, Dominican Republic, El Salvador, Guatemala, Honduras, Jordan, Mexico, Morocco, Nicaragua, Oman, Panama, Peru, Republic of Korea, and Singapore, and to any nation with which the United States subsequently enters into a FTA requiring national treatment for trade in natural gas, provided that the destination nation has the capacity to import LNG via ocean going vessels. FTA countries are currently identified by DOE/FE at:

<http://www.fossil.energy.gov/programs/gasregulation/index.html>

C. CCL Stage III shall ensure that all transactions authorized by this Order are permitted and lawful under U.S. laws and policies, including the rules, regulations, orders, policies, and other determinations of the Office of Foreign Assets Control of the United States Department of the Treasury and the Federal Energy Regulatory Commission. Failure to comply with this requirement could result in rescission of this authorization and/or other civil or criminal remedies.

D. (1) CCL Stage III shall file, or cause others to file, with the Office of Regulation, Analysis, and Engagement a non-redacted copy of all executed long-term contracts associated with the long-term export of LNG on its own behalf or as agent for other entities from the Stage

3 LNG Facilities. The non-redacted copies may be filed under seal and must be filed within 30 days of their execution. Additionally, if CCL Stage III has filed the contracts described in the preceding sentence under seal or subject to a claim of confidentiality or privilege, within 30 days of their execution, CCL Stage III shall also file, or cause others to file, for public posting either: a) a redacted version of the contracts described in the preceding sentence, or b) major provisions of the contracts. In these filings, CCL Stage III shall state why the redacted or non-disclosed information should be exempted from public disclosure.

(2) CCL Stage III shall file, or cause others to file, with the Office of Regulation, Analysis, and Engagement a non-redacted copy of all executed long-term contracts associated with the long-term supply of natural gas to the Stage 3 LNG Facilities. The non-redacted copies may be filed under seal and must be filed within 30 days of their execution. Additionally, if CCL Stage III has filed the contracts described in the preceding sentence under seal or subject to a claim of confidentiality or privilege, within 30 days of their execution, CCL Stage III shall also file, or cause others to file, for public posting either: a) a redacted version of the contracts described in the preceding sentence, or b) major provisions of the contracts. In these filings, CCL Stage III shall state why the redacted or non-disclosed information should be exempted from public disclosure.

E. CCL Stage III shall include, and require others for whom CCL Stage III acts as agent to include, the following provision in any agreement or other contract for the sale or transfer of LNG exported pursuant to this Order:

Customer or purchaser acknowledges and agrees that it will resell or transfer LNG purchased hereunder for delivery only to countries identified in Ordering Paragraph B of DOE/FE Order No. 4277, issued November 9, 2018, in FE Docket No. 18-78-LNG, and/or to purchasers that have agreed in writing to limit their direct or indirect resale or transfer of such LNG to such countries. Customer or purchaser further commits to cause a report to be provided to Corpus Christi Liquefaction Stage III, LLC that identifies the

country (or countries) into which the LNG or natural gas was actually delivered and/or received for end use, and to include in any resale contract for such LNG the necessary conditions to ensure that Corpus Christi Liquefaction Stage III, LLC is made aware of all such countries.

F. CCL Stage III is permitted to use its authorization in order to export LNG as agent for other entities, after registering the other parties with DOE/FE. Registration materials shall include an acknowledgement and agreement by the Registrant to supply CCL Stage III with all information necessary to permit CCL Stage III to register that person or entity with DOE/FE, including: (1) the Registrant's agreement to comply with this Order and all applicable requirements of DOE's regulations at 10 C.F.R. Part 590, including but not limited to destination restrictions; (2) the exact legal name of the Registrant, state/location of incorporation/registration, primary place of doing business, and the Registrant's ownership structure, including the ultimate parent entity if the Registrant is a subsidiary or affiliate of another entity; (3) the name, title, mailing address, e-mail address, and telephone number of a corporate officer or employee of the Registrant to whom inquiries may be directed; (4) within 30 days of execution, a copy of any long-term contracts not previously filed with DOE/FE, described in Ordering Paragraph D of this Order.

G. Each registration submitted pursuant to this Order shall have current information on file with DOE/FE. Any changes in company name, contact information, length of the long-term contract, termination of the long-term contract, or other relevant modification, shall be filed with DOE/FE within 30 days of such change(s).

H. As a condition of this authorization, CCL Stage III shall ensure that all persons required by this Order to register with DOE/FE have done so.

I. Within two weeks after the first export of domestically produced LNG occurs from the

proposed Stage 3 LNG Facilities, CCL Stage III shall provide written notification of the date that the first export of LNG authorized in Ordering Paragraph A above occurred.

J. CCL Stage III shall file with the Office of Regulation, Analysis, and Engagement, on a semi-annual basis, written reports describing the status of the proposed Stage 3 LNG Facilities. The reports shall be filed on or by April 1 and October 1 of each year, and shall include information on the progress of the Stage 3 LNG Facilities, the date the Stage 3 LNG Facilities are expected to become operational, and the status of the long-term agreements or contracts associated with the long-term export of LNG and any related long-term supply contracts.

K. With respect to any change in control of the authorization holder, CCL Stage III must comply with DOE/FE Procedures for Change in Control Affecting Applications and Authorizations to Import or Export Natural Gas.²⁸ For purposes of this Ordering Paragraph, a “change in control” shall include any change, directly or indirectly, of the power to direct the management or policies of CCL Stage III, 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.²⁹

L. Monthly Reports: With respect to the LNG exports authorized by this Order, CCL Stage III shall file with the Office of Regulation, Analysis, and Engagement, within 30 days following the last day of each calendar month, a report indicating whether exports of LNG have

²⁸ 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).

²⁹ See *id.* at 65,542.

been made. The first monthly report required by this Order is due not later than the 30th day of the month following the month of first export. In subsequent months, if exports have not occurred, a report of “no activity” for that month must be filed. If exports of LNG have occurred, the report must give the following details of each LNG cargo: (1) the name(s) of the authorized exporter registered with DOE/FE; (2) the name of the U.S. export terminal; (3) the name of the LNG tanker; (4) the date of departure from the U.S. export terminal; (5) the country (or countries) into which the LNG or natural gas is actually delivered and/or received for end use; (6) the name of the supplier/seller; (7) the volume in thousand cubic feet (Mcf); (8) the price at point of export per million British thermal units (MMBtu); (9) the duration of the supply agreement (indicate spot sales); and (10) the name(s) of the purchaser(s).

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

M. All monthly report filings shall be made to the Division of Natural Gas Regulation, Office of Regulation, Analysis, and Engagement, Office of Fossil Energy, U.S. Department of Energy (FE-34), P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Natural Gas Reports. Alternatively, reports may be e-mailed to ngreports@hq.doe.gov, or may be faxed to Natural Gas Reports at (202) 586-6050.

Issued in Washington, D.C., on November 9, 2018.

Shawn Bennett
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Office of Fossil Energy