



## DEPARTMENT OF ENERGY

[Docket No. 23-137-LNG]

### **Magnolia LNG, LLC; Application for Long-Term Authorization to Export Liquefied Natural Gas to Non-Free Trade Agreement Countries**

**AGENCY:** Office of Fossil Energy and Carbon Management, Department of Energy.

**ACTION:** Notice of application.

**SUMMARY:** The Office of Fossil Energy and Carbon Management (FECM) of the Department of Energy (DOE) gives notice (Notice) of receipt of an application (Application), filed by Magnolia LNG, LLC (Magnolia) on November 29, 2023. Magnolia requests long-term, multi-contract authorization to export domestically produced liquefied natural gas (LNG) in a volume equivalent to approximately 449 billion cubic feet (Bcf) of natural gas per year (Bcf/y), or 1.23 Bcf per day (Bcf/d), from the proposed Magnolia terminal facilities to be constructed and operated near Lake Charles, Louisiana (Magnolia LNG Project). Magnolia filed the Application under the Natural Gas Act (NGA).

**DATES:** Protests, motions to intervene, or notices of intervention, as applicable, and written comments are to be filed as detailed in the **Public Comment Procedures** section no later than 4:30 p.m., Eastern time, [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE **FEDERAL REGISTER**].

#### **ADDRESSES:**

**Electronic Filing by email (Strongly encouraged):** [fergas@hq.doe.gov](mailto:fergas@hq.doe.gov).

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

U.S. Department of Energy (FE-34)  
Office of Regulation, Analysis, and Engagement  
Office of Fossil Energy and Carbon Management  
Forrestal Building, Room 3E-056  
1000 Independence Avenue SW,  
Washington, DC 20585.

Due to potential delays in DOE's receipt and processing of mail sent through the U.S. Postal Service, we encourage respondents to submit filings electronically to ensure timely receipt.

**FOR FURTHER INFORMATION CONTACT:**

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**SUPPLEMENTARY INFORMATION:**

Magnolia requests authorization to export domestically produced LNG by ocean-going carrier from the proposed Magnolia LNG Project, to be constructed and located on Industrial Canal South Shore PLC Tract 475, an approximately 115-acre parcel of land in Calcasieu Parish, Louisiana, under a long-term lease with the Lake Charles Harbor & Terminal District. Magnolia states that the proposed LNG Project would include four LNG trains, two LNG storage tanks each with capacity of approximately 160,000 cubic meters, and vessel loading facilities, and would be located in an area zoned for heavy industrial use and consistent with other industrial facilities along the shoreline. Magnolia seeks to export this LNG from the liquefaction project in a volume equivalent to approximately 449 Bcf/yr of natural gas (1.23 Bcf/d) to any country with which the United States does not have a free trade agreement (FTA) requiring national treatment for trade in natural gas and LNG, which has or in the future develops the capacity to import LNG via ocean-going

carrier, and with which trade is not prohibited by U.S. law or policy (non-FTA countries), pursuant to section 3(a) of the NGA.<sup>1</sup>

In the Application, Magnolia notes that it had already been authorized in DOE/FE Order No. 3909<sup>2</sup> (later amended by DOE/FECM Order No. 3909-C) to export the same volume of LNG from the proposed Magnolia LNG Project to non-FTA countries. Order No. 3909-C required Magnolia to commence commercial operations at its LNG Project by November 30, 2023. On March 20, 2023,<sup>3</sup> and with a subsequent amendment on May 30, 2023,<sup>4</sup> Magnolia asked DOE to postpone its commencement deadline. On November 29, 2023—the same day it filed the present Application—Magnolia asked to withdraw its request for a later commencement date, effective immediately.<sup>5</sup> Order No. 3909-C then expired on its own terms at the end of November 2023.<sup>6</sup>

Magnolia remains authorized to export the equivalent volume of LNG to countries with which the U.S. has an FTA requiring national treatment for trade in natural gas (FTA countries), for a term extending through December 31, 2050.<sup>7</sup>

Magnolia states that its Application “requests a new authorization of the same volumes in light of the expiration of the original authorization on November 30, 2023,” noting that the Federal

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<sup>1</sup> 15 U.S.C. 717b(a).

<sup>2</sup> *Magnolia LNG, LLC*, DOE/FE Order No. 3909, Docket No. 13-132-LNG, Opinion and Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Magnolia LNG Terminal to be Constructed in Lake Charles, Louisiana, to Non-Free Trade Agreement Nations (Nov. 30, 2016), *reh'g denied*, DOE/FE Order No. 3909-A (Apr. 2, 2018), *amended by* DOE/FE Order No. 3909-B (Dec. 10, 2020), *further amended by* DOE/FECM Order No. 3909-C (Apr. 27, 2022), *reh'g denied*, DOE/FECM Order No. 3909-D (June 24, 2022). Note that on July 4, 2021, the Office of Fossil Energy (FE) changed its name to the Office of Fossil Energy and Carbon Management.

<sup>3</sup> *Magnolia LNG, LLC*, Docket No. 13-132-LNG, Request of Magnolia LNG, LLC for Limited Extension to Start Date of Term of Authorization (Mar. 20, 2023).

<sup>4</sup> *Magnolia LNG, LLC*, Docket No. 13-132-LNG, Answer of Magnolia LNG, LLC in Opposition to the Motion to Intervene and Protest of Sierra Club, *et al.* and Supplement to Request to Extend Commencement Deadline (May 30, 2023).

<sup>5</sup> *Magnolia LNG, LLC*, Docket No. 13-132-LNG, Withdrawal of Request for Extension of Commencement of Service Deadline (Nov. 29, 2023).

<sup>6</sup> *Magnolia LNG, LLC*, Docket No. 13-132-LNG, Administrative Notice of Expiration of Non-FTA Authorization (Dec. 8, 2023); *see* Order No. 3909-C at Ordering Para. D.

<sup>7</sup> *Magnolia LNG, LLC*, Order No. 3245, Docket No. 12-183-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Magnolia LNG Terminal in Lake Charles, Louisiana, to Free Trade Agreement Nations (Feb. 26, 2013); *Magnolia LNG, LLC*, Order No. 3406, Docket No. 13-131-LNG, Order Granting Long-Term, Multi-Contract Authorization to Export Liquefied Natural Gas by Vessel from the Proposed Magnolia LNG Terminal in Lake Charles, Louisiana, to Free Trade Agreement Nations (Mar. 5, 2014). On December 10, 2020, both orders were amended to extend the effective export term through December 31, 2050.

Energy Regulatory Commission's approval of the siting, construction, ownership, and operation of the Magnolia LNG Project remains in effect.

Magnolia seeks this authorization on its own behalf and as agent for other entities that hold title to the LNG at the point of export. Magnolia requests the authorization for a term commencing on the earlier of the date of first export or seven (7) years from the date of issuance of the requested authorization, and extending through December 31, 2050.

Additional details can be found in the Application, posted on the DOE website at <https://www.energy.gov/sites/default/files/2023-12/Magnolia%20LNG%20DOE%20NFTA%20Export%20Authorization%20Application%20%28Nov.%2029%202023%29.pdf>.

## **DOE Evaluation**

In reviewing Magnolia's Application, DOE will consider any issues required by law or policy. DOE will consider domestic need for the natural gas, as well as any other issues determined to be appropriate, including whether the arrangement is consistent with DOE's policy of promoting competition in the marketplace by allowing commercial parties to freely negotiate their own trade arrangements. As part of this analysis, DOE will consider the study entitled, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (2018 LNG Export Study),<sup>8</sup> and DOE's response to public comments received on that Study.<sup>9</sup>

Additionally, DOE will consider the following environmental documents:

- *Addendum to Environmental Review Documents Concerning Exports of Natural Gas From the United States*, 79 FR 48132 (Aug. 15, 2014);<sup>10</sup>
- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States*, 79 FR 32260 (June 4, 2014);<sup>11</sup> and

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<sup>8</sup> See NERA Economic Consulting, *Macroeconomic Outcomes of Market Determined Levels of U.S. LNG Exports* (June 7, 2018),

[www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf](http://www.energy.gov/sites/prod/files/2018/06/f52/Macroeconomic%20LNG%20Export%20Study%202018.pdf).

<sup>9</sup> U.S. Dep't of Energy, *Study on Macroeconomic Outcomes of LNG Exports: Response to Comments Received on Study; Notice of Response to Comments*, 83 FR 67251 (Dec. 28, 2018).

<sup>10</sup> The Addendum and related documents are available at [www.energy.gov/fecm/addendum-environmental-review-documents-concerning-exports-natural-gas-united-states](http://www.energy.gov/fecm/addendum-environmental-review-documents-concerning-exports-natural-gas-united-states).

<sup>11</sup> The 2014 Life Cycle Greenhouse Gas Report is available at [www.energy.gov/fecm/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states](http://www.energy.gov/fecm/life-cycle-greenhouse-gas-perspective-exporting-liquefied-natural-gas-united-states).

- *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas From the United States: 2019 Update*, 84 FR 49278 (Sept. 19, 2019), and DOE’s response to public comments received on that study.<sup>12</sup>

Parties that may oppose this Application should address these issues and documents in their comments and protests, as well as other issues deemed relevant to the Application.

The National Environmental Policy Act (NEPA), 42 U.S.C. 4321 *et seq.*, requires DOE to give appropriate consideration to the environmental effects of its proposed decisions. No final decision will be issued in this proceeding until DOE has met its NEPA responsibilities.

### **Public Comment Procedures**

In response to this Notice, any person may file a protest, comments, or a motion to intervene or notice of intervention, as applicable. Interested parties will be provided 60 days from the date of publication of this Notice in which to submit comments, protests, motions to intervene, or notices of intervention.

Any person wishing to become a party to this proceeding evaluating Magnolia’s Application must file a motion to intervene or notice of intervention. The filing of comments or a protest with respect to the Application will not serve to make the commenter or protestant a party to this proceeding, although protests and comments received from persons who are not parties will be considered in determining the appropriate action to be taken on the Application. All protests, comments, motions to intervene, or notices of intervention must meet the requirements specified by the regulations in 10 CFR part 590, including the service requirements.

Filings may be submitted using one of the following methods:

(1) Submitting the filing electronically at [fergas@hq.doe.gov](mailto:fergas@hq.doe.gov);

(2) Mailing the filing to the Office of Regulation, Analysis, and Engagement at the address

listed in the **ADDRESSES** section; or

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<sup>12</sup> U.S. Dep’t of Energy, *Life Cycle Greenhouse Gas Perspective on Exporting Liquefied Natural Gas from the United States: 2019 Update – Response to Comments*, 85 FR 72 (Jan. 2, 2020). The 2019 Update and related documents are available at <https://fossil.energy.gov/app/docketindex/docket/index/21>.

(3) Hand delivering the filing to the Office of Regulation, Analysis, and Engagement at the address listed in the **ADDRESSES** section.

For administrative efficiency, DOE prefers filings to be filed electronically. All filings must include a reference to “Docket No. 23-137-LNG” or “Magnolia LNG, LLC Application” in the title line.

**For electronic submissions:** 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.

The Notice, and any filed protests, motions to intervene, notices of intervention, and comments will be available electronically on the DOE website at [www.energy.gov/fecm/regulation](http://www.energy.gov/fecm/regulation).

A decisional record on the Application will be developed through responses to this Notice by parties, including the parties’ written comments and replies thereto. 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 Opinion and Order may be issued based on the official record, including the Application and responses filed by parties pursuant to this Notice, in accordance with 10 CFR 590.316.

Signed in Washington, DC, on December 18, 2023.

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

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