

September 15, 2021

Ms. Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

### Re: NFEnergía LLC Docket No. CP21-\_\_\_-000 Application for Authorization Under Section 3 of the Natural Gas Act

Dear Ms. Bose:

Pursuant to Section 3(a) of the Natural Gas Act, as amended,<sup>1</sup> and Parts 153 and 380 of the Federal Energy Regulatory Commission's ("Commission" or "FERC") regulations,<sup>2</sup> and in compliance with the Commission's March 19, 2021 order in Docket No. CP20-466-000,<sup>3</sup> NFEnergía LLC ("NFEnergía") hereby files this application for authorization to operate certain liquefied natural gas facilities located at the Port of San Juan, Puerto Rico.

Included herewith are four volumes. Volume I contains public information and comprises the Application and its public exhibits, except Exhibit F. Volume II contains the public version of Exhibit F. Volume III contains privileged and confidential information and includes the landowner list, cultural resources survey reports, and certain portions of Resource Reports 11 and 13 from Exhibit F. Volume IV contains Critical Energy Infrastructure Information ("CEII") and includes certain portions and appendices of Resource Reports 1, 11, and 13.

Pursuant to Section 388.112 of the Commission's regulations,<sup>4</sup> NFEnergía requests that the information filed in Volume III be treated as privileged and confidential and that it not be released to the public. This volume is labeled "**CONTAINS PRIVILEGED INFORMATION** – **DO NOT RELEASE (CUI//PRIV)**" and contains information that is customarily treated as privileged and confidential. Pursuant to Section 388.113 of the Commission's regulations,<sup>5</sup> NFEnergía requests that the information filed in Volume IV be treated as CEII and that it not be released to the public. This volume is labeled "**CONTAINS CRITICAL ENERGY INFRASTRUCTURE INFORMATION** – **DO NOT RELEASE (CUI//CEII)**" and contains information that is customarily treated as CEII. NFEnergía is submitting this information as CEII

<sup>5</sup> *Id.* at § 388.113.

<sup>&</sup>lt;sup>1</sup> 15 U.S.C. § 717b(a) (2018).

<sup>&</sup>lt;sup>2</sup> 18 C.F.R. pts. 153, 380 (2020).

<sup>&</sup>lt;sup>3</sup> New Fortress Energy LLC, 174 FERC ¶ 61,207 (2021), notice of reh'g denial, 175 FERC ¶ 62,108 (2021), reh'g denial confirmed, 176 FERC ¶ 61,031 (2021). While the Commission's order was directed to New Fortress Energy LLC, NFEnergía, a subsidiary of New Fortress Energy Inc. (successor of New Fortress Energy LLC), is the entity that developed and owns the facility.

<sup>&</sup>lt;sup>4</sup> 18 C.F.R. § 388.112.

Ms. Kimberly D. Bose, Secretary September 15, 2021 Page 2

because it contains information about the location of critical infrastructure that could be useful to a person planning an attack on aboveground facilities. NFEnergía requests that this information be treated as CEII for five years, unless redesignated by the CEII Coordinator.

Questions pertaining to CEII and privileged and confidential information may be submitted to:

Cameron MacDougall General Counsel NFEnergía LLC 111 W 19th Street New York, New York 10011 Phone: (202) 479-1522 Email: cmacdougall@fortress.com

Pursuant to the Commission's electronic filing guide,<sup>6</sup> NFEnergía is eFiling this application.

Should you have any questions, please contact the undersigned at cmacdougall@fortress.com or (202) 479-1522.

Sincerely,

<u>/s/ Cameron MacDougall</u> Cameron MacDougall General Counsel NFEnergía LLC

Attachments

cc: Danny Laffoon (FERC) Kimberly Poli (FERC)

<sup>&</sup>lt;sup>6</sup> Federal Energy Regulatory Commission Filing Guide/Qualified Documents List (Feb. 14, 2017), <u>http://www.ferc.gov/docs-filing/filing.pdf</u>.

### UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

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NFEnergía LLC

Docket No. CP21-\_\_\_-000

### APPLICATION OF NFENERGÍA LLC FOR AUTHORIZATION UNDER SECTION 3 OF THE NATURAL GAS ACT

Filed: September 15, 2021

### TABLE OF CONTENTS

EXECUTIVE SUMMARY
I. INFORMATION REGARDING THE APPLICANT
I. COMMUNICATIONS
V. DETAILED PROJECT DESCRIPTION
A. Location and Description of Facilities
1. Regasification and Delivery to the San Juan Power Plant
2. The Truck-Loading Facilities
B. Safety
C. Stakeholder Outreach
7. THE AUTHORIZATIONS REQUESTED ARE NOT INCONSISTENT WITH THE PUBLIC INTEREST
A. The MFH Facility is Not Inconsistent with the Public Interest10
B. Market Demand11
C. Benefits to Puerto Rico
I. STATEMENT UNDER SECTION 153.7(C)(2)15
II. PRESIDENTIAL PERMIT
'III. DEPARTMENT OF ENERGY/OFFICE OF FOSSIL ENERGY AND CARBON   MANAGEMENT
X. OTHER RELATED APPLICATIONS16
L FORM OF NOTICE
I. LIST OF EXHIBITS17
III. CONCLUSION

### UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

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NFEnergía LLC

Docket No. CP21-\_\_\_-000

### APPLICATION FOR AUTHORIZATION UNDER SECTION 3 OF THE NATURAL GAS ACT

Pursuant to Section 3(a) of the Natural Gas Act ("NGA"), as amended,<sup>1</sup> Parts 153 and 380 of the Federal Energy Regulatory Commission's ("Commission" or "FERC") regulations,<sup>2</sup> and the Order on Show Cause issued by the Commission on March 19, 2021 in Docket No. CP20-466-000 ("March 19 Order"),<sup>3</sup> NFEnergía LLC ("NFEnergía" or "Applicant") hereby files this application ("Application") for authorization to operate the San Juan Micro-Fuel Handling Facility ("MFH Facility"), a liquefied natural gas ("LNG") import and regasification facility, located at the Port of San Juan in Puerto Rico.

In support of its request, NFEnergía states as follows:

### I. EXECUTIVE SUMMARY

NFEnergía is seeking authorization pursuant to Section 3 of the NGA to operate the MFH Facility located at the Port of San Juan in Puerto Rico. In March 2021, the Commission determined that the MFH Facility, which has been in operation since 2020, is an "LNG terminal" subject to its jurisdiction under Section 3 of the NGA and directed NFEnergía to file an application for authorization to operate the MFH Facility by

<sup>&</sup>lt;sup>1</sup> 15 U.S.C. § 717b(a) (2018).

<sup>&</sup>lt;sup>2</sup> 18 C.F.R. pts. 153, 380 (2020).

<sup>&</sup>lt;sup>3</sup> New Fortress Energy LLC, 174 FERC ¶ 61,207 (2021) ("Order on Show Cause"), notice of reh'g denial, 175 FERC ¶ 62,108 (2021), reh'g denial confirmed, 176 FERC ¶ 61,031 (2021) ("Rehearing Order").

September 15, 2021. As described in this Application, operation of the MFH Facility is in the public interest and presents numerous benefits, including reducing air emissions and greenhouse gas ("GHG") emissions, providing \$500 million of projected fuel cost savings over the next five years to Puerto Rico, and enhancing the reliability and resiliency of Puerto Rico's vulnerable power grid.<sup>4</sup>

Specifically, the MFH Facility will play an important role in revitalizing Puerto Rico's energy infrastructure. In May 2017, Puerto Rico entered a form of bankruptcy and its power system was very fragile. Power on the island was predominately generated by burning diesel fuel and heavy fuel oil, as well as coal. What little natural gas was available was delivered through a single LNG import facility on the opposite side of the island from San Juan. Shortly thereafter, two catastrophic hurricanes, Maria and Irma, struck and caused massive destruction across the island. The electric system was badly damaged, particularly the transmission lines connecting the generation on the south side of the island with the load centers to the north, blacking out virtually the entire island at one point. Senior management of New Fortress Energy Inc., NFEnergía's upstream parent, traveled to Puerto Rico in October 2017 and saw a critical need for more affordable, cleaner and reliable power. The hurricanes exacerbated a long-standing, significant issue in Puerto Rico where dirty fuel oil and diesel continued to fuel much of the island's aging and attimes unreliable infrastructure. To address this clear need, NFEnergía began developing the MFH Facility to serve commercial customers via distribution of LNG by truck. In July 2018, Puerto Rico Electric Power Authority ("PREPA") issued a request for proposals to

<sup>&</sup>lt;sup>4</sup> 2019 Fiscal Plan for the PREPA, certified by the Financial Oversight and Management Board for Puerto Rico on June 27, 2019, https://aeepr.com/es-pr/Documents/Exhibit 1 - 2019 Fiscal\_Plan\_for\_PREPA\_Certified\_FOMB on\_June\_27\_2019.pdf.

retrofit Units 5 and 6 of the San Juan Power Plant to enable dual-fuel capability and to supply PREPA with natural gas. NFEnergía participated in that competitive process and was chosen as the successful bidder. PREPA and NFEnergía entered into a contract to effectuate the award in March 2019, and the MFH Facility began operations in March 2020.

The operation of the MFH Facility results in increased economic activity in the surrounding port area through investments by NFEnergía, as well as the establishment of more affordable energy to the island's citizens and businesses, which aids the economy more broadly. Additionally, the MFH Facility will provide numerous environmental benefits, including reducing air emissions relative to the consumption of diesel fuel and heavy fuel oil historically used to generate electricity, including emissions of sulfur dioxide, which is classified as nonattainment in San Juan. Finally, the MFH Facility will play a critical role in providing Puerto Rico with more reliable power and reducing the significant power disruptions that Puerto Ricans have suffered through in the aftermath of the devastating hurricanes of 2017 and the earthquakes of late 2019 and early 2020.

The MFH Facility is located on approximately 6.1 acres of land at Wharves A and B of the Port of San Juan, Puerto Rico, which is situated among existing industrial uses in the north of Puerto Rico where it can supply power generation sources serving nearby load centers using minimal infrastructure. To operate the MFH Facility, "pocket-sized" LNG vessels (also called "shuttle vessels") bring LNG into the San Juan Harbor where the LNG is transferred to a non-jurisdictional floating storage unit ("FSU") that is semi-permanently moored adjacent to the MFH Facility site. The FSU transfers LNG onshore where certain quantities remain liquefied and are loaded onto trucks for eventual over-the-road delivery to end users, and certain quantities are regasified and made available to Units 5 and 6 of the adjacent San Juan Power Plant via a 75-foot, 10-inch diameter segment of power plant piping. The MFH Facility has a regasification capacity of 130 MMscf per day of natural gas and a truck loading capacity of 87.52 MMscf (or 1,060,000 gallons of LNG) of natural gas per day.

The Environmental Report included herewith as Exhibit F fully demonstrates that operation of the MFH Facility has minimal environmental impacts and will provide benefits from cleaner burning natural gas compared to diesel fuel and heavy fuel oil. The Environmental Report also demonstrates that the MFH Facility uses the latest technologies and all necessary equipment to satisfy applicable safety and security requirements. NFEnergía submits that operation of the MFH Facility is not inconsistent with the public interest and respectfully requests that the Commission grant the authorization requested in this Application.

### II. INFORMATION REGARDING THE APPLICANT

The exact legal name of NFEnergía is NFEnergía LLC. NFEnergía is a Puerto Rico domestic limited liability company with its primary place of business located at 111 W 19th Street New York, New York 10011, and is authorized to do business in Puerto Rico. NFEnergía is a wholly owned, indirect subsidiary of New Fortress Energy Inc., a publicly traded entity (NASDAQ: NFE) and a global energy infrastructure company that funds, builds, and operates natural gas infrastructure and logistics to deliver fully integrated, turnkey energy solutions. New Fortress Energy LLC, the named party in the Order on Show Cause, converted to a corporation and became New Fortress Energy Inc. on August 7, 2020. NFEnergía is not owned, in whole or in part, or subsidized, directly or indirectly,

by any foreign government. Moreover, it is not contractually committed to ownership or

subsidization by any foreign government entity.<sup>5</sup>

### III. COMMUNICATIONS

The persons to whom correspondence and communications concerning this

Application should be directed and upon whom service is to be made are as follows:<sup>6</sup>

Cameron MacDougall General Counsel NFEnergía LLC 111 W 19th Street New York, New York 10011 Phone: (202) 479-1522 Email: cmacdougall@fortress.com John S. Decker Christopher J. Terhune Bree Sinclair Vinson & Elkins L.L.P. 2200 Pennsylvania Avenue, NW Suite 500 West Washington, D.C. 20037 Phone: (202) 639-6599 Facsimile: (202) 879-8976 Email: jdecker@velaw.com cterhune@velaw.com bsinclair@velaw.com

### IV. DETAILED PROJECT DESCRIPTION

The MFH Facility is located in the Puerto Nuevo section of an industrial port area, known as the Port of San Juan, at two wharves along the southern most area of the Bahía de San Juan (San Juan Bay) and adjacent to PREPA's San Juan Power Plant. The MFH Facility includes (a) two vaporizers and a gas direct connection to deliver natural gas to the San Juan Power Plant via a 75-foot, 10-inch diameter segment of power plant piping and

<sup>&</sup>lt;sup>5</sup> 18 C.F.R. § 153.7(a).

<sup>&</sup>lt;sup>6</sup> NFEnergía respectfully requests that the Commission waive Rule 203(b)(3), 18 C.F.R. § 385.203(b)(3), in order to allow each of the designated representatives to be included on the official service list.

(b) ship-to-truck LNG trans-loading operations. The MFH Facility does not include any land-based storage.

### A. Location and Description of Facilities

#### 1. Regasification and Delivery to the San Juan Power Plant

The MFH Facility receives imported LNG via the FSU, which is semi-permanently moored along Wharves A and B. The FSU is supplied by shuttle vessels delivering foreign LNG to the MFH Facility and transiting the San Juan Harbor. The FSU transfers LNG to the MFH Facility by use of two or three non-permanent, flexible eight-inch diameter cryogenic hoses that extend from the vessel.<sup>7</sup> The LNG is pumped through the flexible cryogenic hoses with cargo transfer pumps located on the vessel.<sup>8</sup>

LNG exits the flexible cryogenic hoses at a liquid header in the MFH Facility. LNG to be regasified and made available to the San Juan Power Plant is routed from the header to the vaporizers for regasification. This piping system includes a pressure vessel that provides a buffer between the FSU and the sendout pump. The pressure vessel does not function as a storage tank, and, in fact, there is no onshore storage associated with the MFH Facility. The MFH Facility cannot make gas available to PREPA without the FSU present. Four LNG withdrawal lines connect the pressure vessel to a single high pressure sendout pump, which is fully submerged in LNG and contained within pump cans. LNG from the pump then flows to two vaporizers for regasification. There are two vaporization packages at the MFH Facility, each with a capacity of 65 MMscf per day. Each vaporization package employs a water bath design using demineralized water.

<sup>&</sup>lt;sup>7</sup> One or two hoses are utilized in liquid service, depending on the desired flow rate, and the third hose is used to maintain the boil-off gas vapor on the marine vessel.

<sup>&</sup>lt;sup>8</sup> The flexible cryogenic hoses have a pressure of 150 psig and include automatic valves that will close and break away from the vessel in the unlikely event that the vessel drifts out of position.

Natural gas exits each regasification unit via nominal ten-inch diameter, seamless stainless steel process piping which combine into a nominal fourteen-inch seamless stainless steel process pipe that connects to a metering skid. Natural gas flows directly from the MFH Facility metering skid to the San Juan Power Plant via a nominal ten-inch diameter, ASTM A106 Grade B seamless carbon steel pipe at a length of 75 feet. The carbon steel pipe that runs from the NFEnergía metering skid to the San Juan Power plant metering skid is designed to be in compliance with ASME Code B31.1 for Power Piping. NFEnergía's portion of the pipe terminates at the wall that separates the MFH Facility from the immediately adjacent power plant, and the pipe then connects with power plant piping owned by PREPA.

#### 2. The Truck-Loading Facilities

When the MFH Facility is operating its truck loading facilities, LNG is routed to a truck-loading rack with four bays for loading into ISO containers and/or over-the-road trucks or tankers for delivery to various industrial end users in Puerto Rico. The piping from the header at the MFH Facility to the truck-loading rack consists of 10 inch diameter, vacuum jacketed, stainless steel piping. The unloading process from the FSU to the truck-loading rack requires a pressure vessel to maintain and balance pressures and flow of LNG from the berthed vessel and the send-out pumps to the truck loading racks and the vaporization system. This vessel does not function as storage and is not designed to hold LNG except during the vessel unloading process. Due to the nature of its operations, the MFH Facility does not have any onshore storage for LNG. The MFH Facility cannot make LNG available for truck-loading without the FSU present. From the truck-loading rack, LNG is transferred to over-the-road tankers, or trucks, for delivery to on-island industrial end users. The MFH Facility is able to load up to approximately 100 trucks per day, at a

volume of up to approximately 10,600 gallons of LNG per truck, for a total truck loading capacity of 87.52 MMscf (or 1,060,000 gallons of LNG) of natural gas per day.

### B. Safety

The MFH Facility was designed to be safe, efficient, operable, and maintainable with minimal effects on the environment. All facilities were designed and constructed, and will be operated and maintained, in accordance with governing federal, state, and local regulations. Resource Reports 11 and 13 describe in detail the safety measures and controls for the MFH Facility, and Resource Report 1 includes a list of permits, approvals, and consultations for operation of the MFH Facility.<sup>9</sup> NFEnergía has been actively coordinating with the U.S. Coast Guard and other regulatory bodies to ensure a safe environment. The U.S. Coast Guard's analysis comprehensively considered the safety, security, and risk management of the marine cargo transfer system at the MFH Facility, including all applicable considerations required under 33 C.F.R. Part 127 and the Navigation and Vessel Inspection Circular No. 01-2011. This analysis included a Preliminary and Follow-on Waterway Suitability Analysis, an Operational Risk Assessment and concluded in the U.S. Coast Guard's approval of the MFH Facility's Operations Plan, Emergency Response Plan, and Facility Security Plan. The safety oversight administered by the U.S. Coast Guard also included a rulemaking establishing safety zones for the FSU and shuttle vessels while they are in San Juan Harbor.<sup>10</sup> The MFH Facility was designed in accordance with the Puerto Rico Building Code, which adopts NFPA 59A-2006 via the 2009 International Building

<sup>&</sup>lt;sup>9</sup> See, Table 1-1 and Appendix 1B.

<sup>&</sup>lt;sup>10</sup> 85 Fed. Reg. 15,721 (Mar. 18, 2020).

Code. The MFH Facility is not under PHMSA jurisdiction and therefore it is not subject to the design spill requirements in 49 CFR 193.

### C. Stakeholder Outreach

NFE engaged with many different stakeholders in connection with the design, permitting and construction of the MFH Facility. These stakeholders included federal agencies with jurisdiction over the resources and operations at the facility, territorial governmental entities, municipal entities and nearby businesses. As this facility did not require any right of way or similar off-site interests to site and install any natural gas equipment, NFE's outreach centered on adjacent landowners and other users of the water resources adjacent to the facility. This stakeholder engagement process was extensive and focused on measures and steps to ensure safety and security within San Juan Harbor. This effort included the United States Coast Guard and United States Army Corps of Engineers as well as the San Juan Pilots Association, Tropic Gas, Trailer Bridge, Tote Maritime, Puma Energy, Puerto Rico Port Authority, PREPA, the Puerto Rico Fire Commission, Luis A. Ayala-Colon Sucrs, Inc., and McAlister towing. These efforts and this analysis conformed to the requirements of the Navigation and Vessel Inspection Circular issued by the Coast Guard.<sup>11</sup>

At the territorial level, NFEnergía dealt with numerous agencies and regulatory bodies in Puerto Rico throughout that process, including the La Oficina de Gerencia de Permisos (Puerto Rico's Permits Management Office), the Junta de Calidad Ambiental de Puerto Rico (Puerto Rico Environmental Quality Review Board), the Puerto Rico El

<sup>&</sup>lt;sup>11</sup> NVIC 01-2011: Overview - Process and Procedures Associated with Waterfront LNG Facilities at 10 (Jan. 24, 2011), <u>https://www.dco.uscg.mil/Portals/9/DCO%20Documents/5p/5ps/NVIC/2011/NVIC%2001-2011%20Final.pdf</u> ("NVIC 01-2011").

Departamento de Recursos Naturales y Ambientales (Department of Natural and Environmental Resources), the Department of Transportation and Public Works and the State Fire Marshal. NFEnergia also dealt with additional stakeholders in connection with questions about the regulation of the sale of natural gas into Puerto Rico and the safety zone required around the LNG vessels when they transit San Juan Harbor. Because NFEnergía does not propose the construction of any new facilities and is merely requesting authorization to operate the MFH Facility and because FERC waived the pre-filing process for this Application, NFEnergía did not pursue additional stakeholder outreach as described in the Commission's regulations related to this Application.

### V.

### THE AUTHORIZATIONS REQUESTED ARE NOT INCONSISTENT WITH THE PUBLIC INTEREST

### A. The MFH Facility is Not Inconsistent with the Public Interest

Section 3(a) of the NGA provides that, "[t]he Commission shall issue an order upon application unless, after the opportunity for hearing, it finds that the proposed exportation or importation will not be consistent with the public interest."<sup>12</sup> Section 153.7(c) of the Commission's regulations, which implements Section 3(a) of the NGA, requires a showing that the Project:

(i) Will improve access to supplies of natural gas, serve new market demand, enhance the reliability, security, and/or flexibility of the applicant's pipeline system, improve the dependability of international energy trade, or enhance competition within the United States for natural gas transportation or supply...<sup>13</sup>

<sup>&</sup>lt;sup>12</sup> 15 U.S.C. § 717b(a).

<sup>&</sup>lt;sup>13</sup> 18 C.F.R. § 153.7(c)(1)(i).

As shown herein, the Project is not inconsistent with the public interest.<sup>14</sup> The Commission considers its scope of review to be "limited to consideration of the place of importation [or export], which necessarily includes the technical and environmental aspects of any related facilities."<sup>15</sup> The MFH Facility satisfies this standard. Notwithstanding this limited scope of review, NFEnergía discusses below the significant benefits of the Project to the regional, state, and U.S. environment and economies. In particular, the MFH Facility improves access to natural gas, serves new demand, and enhances competition for natural gas supply in Puerto Rico.

### **B.** Market Demand

The Project will serve new demand for LNG and natural gas in Puerto Rico. PREPA has converted Units 5 and 6 at the San Juan Power Plant to have dual-fuel capability with the expectation that it will largely run on natural gas supplied by the MFH Facility. NFEnergía has a contract with PREPA to supply up to 25 trillion Btu of natural gas per year to the San Juan Power Plant, which demonstrates demand for natural gas supplied by the MFH Facility. Power generated at the San Juan Power Plant using natural gas has numerous ancillary environmental and economic benefits to Puerto Rico, as discussed below.

In addition, NFEnergía has agreements with other natural gas consumers in Puerto Rico to supply trucked LNG for use in on-site generation owned by these customers. Puerto Rico's only other sources of natural gas are not located in close proximity to these users and would not be able to meet the needs of NFEnergía's customers.

<sup>&</sup>lt;sup>14</sup> 18 C.F.R. § 153.7(c).

<sup>&</sup>lt;sup>15</sup> See Sabine Pass Liquefaction, LLC and Sabine Pass LNG, L.P., 139 FERC ¶ 61,039 at P 27, n.35 (2012) (citing National Steel Corp., 45 FERC ¶ 61,100, at p. 61,333 (1988)).

All of these customers, including PREPA, experience lower fuel costs due to natural gas from the MFH Facility. Natural gas is both historically less expensive than diesel and becomes even more cost effective on a per unit of output basis. PREPA estimates that the conversion of Units 5 and 6 to natural gas will result in "significant projected fuel cost savings of \$500 million over the next five years."<sup>16</sup> Continued operation of the MFH Facility is necessary to allow customers to take advantage of these cost savings. Further, an additional fuel supply source in Puerto Rico will reduce the likelihood of supply chain disruptions and will increase price competition for fuel, potentially further lowering costs.

### C. Benefits to Puerto Rico

The MFH Facility helps to deliver numerous benefits to Puerto Rico and its residents by allowing natural gas to displace diesel or heavy fuel oil in certain applications. First, burning natural gas in the San Juan Power Plant provides significant grid stability and environmental benefits. Following recent natural disasters, PREPA has expressed concerns about the ability of Puerto Rico to generate and provide electrical power, and disaster-caused outages at other plants has created increased reliance on the remaining generating facilities.<sup>17</sup> Accordingly, PREPA considers the San Juan Power Plant to be "absolutely essential" to maintain baseload power for the grid.<sup>18</sup> Natural gas provided by the MFH Facility to PREPA and LNG provided to other distributed generation customers

<sup>&</sup>lt;sup>16</sup> 2019 Fiscal Plan for the PREPA, certified by the Financial Oversight and Management Board for Puerto Rico on June 27, 2019, https://aeepr.com/es-pr/Documents/Exhibit 1 - 2019 Fiscal\_Plan\_for\_PREPA\_Certified\_FOMB on\_June\_27\_2019.pdf.

<sup>&</sup>lt;sup>17</sup> See Request for Approval of Request for Proposals for Temporary Emergency Generation, Government of Puerto Rico Public Service Regulatory Board, Puerto Rico Energy Bureau (March 3, 2020), https://energia.pr.gov/wp-content/uploads/sites/7/2020/03/Resolution-and-Order-NEPR-AP-2020-0001.pdf.

<sup>&</sup>lt;sup>18</sup> See Comments and Statement of Support of PREPA to the FERC dated July 17, 2020 (Attachment D to the Answer of New Fortress Energy LLC to the Order to Show Cause (FERC Docket No. CP20-466-000)).

around the island via trucks help support a stable electric grid and baseload power support. The stronger grid reduces the need for power customers to use emergency generators, many of which run on diesel. The on-demand availability of gas-fired generation also helps support the grid because it can balance out variability, which will grow in importance as additional, intermittent renewable resources are connected to the power grid.

The MFH Facility also supports diversity of fuel supplies for the island. The majority of Puerto Rico's energy continues to be provided by diesel and fuel oil, which each contain additional pollutants compared to natural gas and are more carbon intensive. Previously, PREPA had to limit dispatch of Units 5 and 6 at the San Juan Power Plant to manage emissions constraints. When powered by natural gas, however, PREPA reduces the carbon emissions per output, allowing the units to be in operation longer, thereby reducing the need for diesel or fuel oil generation elsewhere on the island. Distribution of LNG by truck similarly provides a reliable, cleaner burning fuel source to other businesses on the island.

Combustion of natural gas delivered by the MFH Facility at the San Juan Power Plant results in broad-based environmental benefits through a reduction in air pollutant emissions. As noted above, natural gas is displacing diesel fuel as the energy source for electric generation at Units 5 and 6 of the San Juan Power Plant. In particular, combustion of natural gas in place of diesel practically eliminates sulfur dioxide emissions from the San Juan Power Plant. As San Juan is currently classified as nonattainment for sulfur dioxide, this massive reduction in emissions is critical. Beyond sulfur dioxide, Resource Report 9 contains a detailed calculation and comparison of emissions when burning diesel versus natural gas. This comparison shows that the MFH Facility allows the San Juan Power Plant to reduce emissions of nitrogen oxides, carbon monoxide, volatile organic compounds, particulates, GHGs (measured in carbon dioxide equivalents), and sulfuric acid. More specifically, the MFH Facility helps the plant reduce GHG emissions by approximately 581,000 tons per year of CO2 equivalent, or approximately 28 percent. The GHG emissions reduction at the San Juan Power Plant is much larger than the approximately 64,000 tons per year of CO2 equivalent emitted by operation of the MFH Facility, meaning operation of the MFH Facility results in a substantial net reduction of GHG emissions, with commensurate reductions in potential for impacts associated with climate change. PREPA also noted to FERC that the emissions reductions are "particularly significant given PREPA's longstanding inability to achieve MATS [Mercury and Air Toxics Standards] compliance."<sup>19</sup> And these emissions figures likely understate the emissions benefits enabled by the MFH Facility because they do not include other industrial customers in Puerto Rico who receive trucked LNG for combustion in place of diesel fuel or heavy fuel oil. Operation of the MFH Facility allows for substantial emissions reductions from downstream users that benefit both local and global communities.

The MFH Facility provides numerous benefits to Puerto Rico and its residents. It improves access to natural gas on the island and helps to serve new markets both for largescale generation by PREPA and smaller generation by trucking customers. Use of natural gas for generation further benefits Puerto Rico by increasing the reliability of electric power and supply diversity for generation. The MFH Facility also creates an additional

<sup>&</sup>lt;sup>19</sup> See Comments and Statement of Support of PREPA to the FERC dated July 17, 2020 (Attachment D to the Answer of New Fortress Energy LLC to the Order to Show Cause (FERC Docket No. CP20-466-000)).

source of supply, increasing competition. Finally, the MFH Facility is environmentally beneficial compared to the diesel and fuel oil-fired generation it displaces. Accordingly, continued operation of the MFH Facility is not inconsistent with the public interest and should be authorized under Section 3.

### VI. STATEMENT UNDER SECTION 153.7(C)(2)

Pursuant to Section 153.7(c)(2) of the Commission's regulations,<sup>20</sup> NFEnergía will not provide open access terminal and transportation services under Part 284 of the Commission's regulations,<sup>21</sup> but rather will sell natural gas to PREPA and LNG to other customers pursuant to negotiated commercial arrangements.<sup>22</sup>

### VII. PRESIDENTIAL PERMIT

The MFH Facility will not involve any facilities at the border of the U.S. and either Canada or Mexico, and will not otherwise involve any physical connection between the U.S. and a foreign country. Therefore, neither Section 153.15(a) of the Commission's regulations nor Executive Order 10485 requires NFEnergía to apply for a Presidential Permit.<sup>23</sup>

<sup>&</sup>lt;sup>20</sup> 18 C.F.R. § 153.7(c)(2).

<sup>&</sup>lt;sup>21</sup> 18 C.F.R. pt. 284.

 $<sup>^{22}</sup>$  As NFEnergía does not provide transportation service to existing customers, Section 153.7(c)(1)(ii) of the Commission's Regulations is not applicable. Pursuant to Section 153.7(c)(1)(iii) of the Commission's Regulations, NFEnergía will not involve any existing contracts between the applicant and a foreign government or person concerning the control of operations or rates for the delivery or receipt of natural gas.

<sup>&</sup>lt;sup>23</sup> See EcoElectrica, L.P., 75 FERC ¶ 61,157 at 61,158, n.13 (1996).

### VIII. DEPARTMENT OF ENERGY/OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

Pursuant to Section 153.6(a) of the Commission's regulations, NFEnergía states that authorization from the U.S. Department of Energy, Office of Fossil Energy and Carbon Management ("DOE/FECM") is required to import LNG for regasification and distribution from the MFH Facility. NFEnergía holds a two-year, blanket authorization from DOE/FECM authorizing NFEnergía to import up to 80 Bcf of natural gas from international sources.<sup>24</sup> The term of the current two-year authorization runs through March 25, 2022. NFEnergía will renew this blanket authorization and succeeding authorizations for additional terms as the end of each authorization approaches.

### IX. OTHER RELATED APPLICATIONS

NFEnergía does not currently have any other related applications pending before the Commission. NFEnergía does note, however, that its parent, New Fortress Energy Inc., has appealed the Order on Show Cause and rehearing order, which appeals have been consolidated and remain pending before the Court of Appeals for the D.C. Circuit.<sup>25</sup>

### X. FORM OF NOTICE

NFEnergía has included herewith a Form of Notice of this Application suitable for publication in the *Federal Register*.

<sup>&</sup>lt;sup>24</sup> NFEnergía, LLC, DOE/FECM Order No. 4500, FE Docket No. 20-7-LNG (Feb. 13, 2020).

<sup>&</sup>lt;sup>25</sup> A list that includes other outstanding federal authorizations is included in Table 1-1 and Appendix 1B of Resource Report 1.

### XI. LIST OF EXHIBITS

Pursuant to Section 153.8 of the Commission's regulations, set forth below is the

listing of exhibits which are included, unless stated otherwise, in this Application.

<b>Exhibit A</b> §153.8(a)(1)	A certified copy of the Certificate of Formation of NFEnergía LLC is included. Also included are the articles of incorporation and limited liability company agreement of NFEnergía LLC and Puerto Rico Authorization.
<b>Exhibit B</b> §153.8(a)(2)	An explanation of financial and corporate relationships is included.
Exhibit C § 153.8(a)(3)	An opinion of counsel regarding authorized powers is included.
<b>Exhibit D</b> § 153.8(a)(4)	Agreement for border interconnects. Omitted. Not applicable.
<b>Exhibit E</b> § 153.8(a)(5)	A safety report is included in Resource Reports 11 and 13 of Exhibit F.
<b>Exhibit E-1</b> 153.8(a)(6)	A "Probabilistic Seismic Hazard Analysis and Site-Specific Response Spectrum" report, dated February 2018, is included in Appendix 13.I.1 to Resource Report 13.
<b>Exhibit F</b> § 153.8(a)(7)	Environmental Report. Filed separately herein as Exhibit F. One file within Appendix E of Resource Report 13 cannot be e-filed and NFEnergía LLC is providing this file to FERC Staff directly.
<b>Exhibit G</b> § 153.8(a)(8)	A map showing the location is included.
Exhibit H	A list of federal authorizations is included in Table 1-1 and Appendix 1B of Resource Report 1.
Exhibit Z-1	A Form of Protective Agreement is included.

### XII. CONCLUSION

For the reasons set forth above, NFEnergía respectfully requests that the

Commission grant the instant Application for authorization to operate the MFH Facility as

herein described. NFEnergía also requests any waivers and other relief the Commission may deem necessary to grant the authorizations requested herein.

Respectfully submitted,

<u>/s/ Cameron MacDougall</u> Cameron MacDougall General Counsel NFEnergía LLC

September 15, 2021

### VERIFICATION

THE STATE OF NEW YORK

COUNTY OF MANHATTAN

Cameron MacDougall, being first duly sworn, states that he is General Counsel for NFEnergía LLC; that he is authorized to execute this Verification; that he has read the foregoing application and is familiar with the contents thereof; and that all allegations of fact therein contained are true and correct to the best of his knowledge and belief.

NFEnergía LLC

))

ad oryan Cameron MacDougall

General Counsel

Subscribed and sworn to before me this  $\frac{|U|}{|U|}$  day of September, 2021.

Notary Public. State of New or

My Commission Expires:

514.24

Juliana Mead NOTARY PUBLIC, STATE OF NEW YORK Registration No. 01ME6261316 Qualified in New York County Commission Expires May 14, 2024 FORM OF NOTICE

### UNITED STATES OF AMERICA BEFORE THE FEDERAL ENERGY REGULATORY COMMISSION

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(

NFEnergía LLC

Docket Nos. CP21-\_\_\_-000

### NOTICE OF APPLICATION OF NFENERGÍA LLC FOR AUTHORIZATION UNDER THE NATURAL GAS ACT

)

Take notice that on September 15, 2021, NFEnergía LLC, 111 W 19<sup>th</sup> Street New York, New York 10011, filed an application in Docket No. CP21-\_\_-000, pursuant to Section 3(a) of the Natural Gas Act ("NGA"), 15 U.S.C. § 717b and Parts 153 and 380 of the Federal Energy Regulatory Commission's ("Commission" or "FERC") regulations, 18 C.F.R. Parts 153 and 380, and in compliance with the Commission's March 19, 2021 order in Docket No. CP20-466-000, *New Fortress Energy LLC*, 174 FERC ¶ 61,207 (2021), for authorization to operate certain liquefied natural gas ("LNG") facilities located at the Port of San Juan, Puerto Rico.

Any questions regarding this Application should be directed to the following:

Cameron MacDougall General Counsel NFEnergía LLC 111 W 19th Street New York, New York 10011 Phone: (202) 479-1522 Email: cmacdougall@fortress.com

Any person desiring to intervene or to protest this filing must file in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 C.F.R. §§ 385.211, 385.214). Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a notice of intervention or motion to intervene, as appropriate. Such notices, motions, or protests must be filed on or before the comment date. Anyone filing a motion to intervene or protest must serve a copy of that document on the Applicant. On or before the comment date, it is not necessary to serve motions to intervene or protests on persons other than the Applicant.

The Commission encourages electronic submission of protests and interventions in lieu of paper using the "eFiling" link at <u>http://www.ferc.gov</u>. Persons unable to file electronically should submit an original and five copies of the protest or intervention to the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426.

This filing is accessible online at <u>http://www.ferc.gov</u>, using the "eLibrary" link and is available for review in the Commission's Public Reference Room in Washington, DC. There is an "eSubscription" link on the web site that enables subscribers to receive email notification when a document is added to a subscribed docket(s). For assistance with any FERC Online service, please email <u>FERCOnlineSupport@ferc.gov</u>, or call (866) 208-3676 (toll free). For TTY, call (202) 502-8659.

Comment Date: 5:00 pm Eastern Time on (insert date).

Kimberly D. Bose Secretary

# NFENERGÍA LLC

## **DOCKET NO. CP21-\_\_\_-000**

## Exhibit A

Articles of Incorporation, Limited Liability Company Agreement, Authorization To Do Business, and Ownership and Officer Information



Government of Puerto Rico

## **CERTIFICATE OF ORGANIZATION**

I, LUIS G. RIVERA MARÍN, Secretary of State of the Government of Puerto Rico;

**CERTIFY**: That **NFE ENERGÍA LLC**, register number **402298**, is a **Domestic Limited Liability Company For Profit** organized under the laws of Puerto Rico on this **11th of December**, **2017 at 04:21 PM**.



**IN WITNESS WHEREOF**, the undersigned by virtue of the authority vested by law, hereby issues this certificate and affixes the Great Seal of the Government of Puerto Rico, in the City of San Juan, Puerto Rico, today, **December 11, 2017.** 

LUIS G. RIVERA MARÍN Secretary of State



Government of Puerto Rico Department of State

Transaction Date: 11-Dec-2017 Register No: 402298 Order No: 1341349

### **Government of Puerto Rico**

### Certificate of Formation of a Limited Liability Company

### Article I - Limited Liability Company Name

# The name of the Domestic Limited Liability Company is: NFE ENERGÍA LLC Desired term for the entity name is: LLC

Article II - Principal Office and Resident Agent

Its principal office in the Government of Puerto Rico will be located at:

Street Address	361 SAN FRANCISCO STREET, 4TH FLOOR, SAN JUAN, PR, 00901
Mailing Address	111 W. 19TH STREET 8TH FLOOR, NEW YORK, NY, 10011
Phone	(516) 268-7400

The name, street and mailing address of the Resident Agent in charge of said office is:

Name	CT CORPORATION SYSTEM
Street Address	361 SAN FRANCISCO STREET, 4TH FLOOR, SAN JUAN, PR, 00901
Mailing Address	PO BOX 9022946, SAN JUAN, PR, 00902-2946
Email	CLS-CTINTERNATIONAL@WOLTERSKLUWER.COM
Phone	(787) 725-2400

### Article III - Nature of Business

This is a For Profit entity whose nature of business or purpose is as follows:

THE COMPANY IS FORMED FOR THE PURPOSE OF ENGAGING IN ANY LAWFUL BUSINESS, PURPOSE OR ACTIVITY FOR WHICH LIMITED LIABILITY COMPANIES MAY BE FORMED UNDER THE ACT.

### Article IV - Authorized Persons

The name, street and mailing address of each Authorized Person is as follows:

Name	MARTINEZ RIVERA, LUZ R.
Street Address	270 MUÑOZ RIVERA AVE., 7TH FLOOR, SAN JUAN, PR, 00918
Mailing Address	PO BOX 364225, SAN JUAN, PR, 00936-4225
Email	LRM@MCVPR.COM

### Article V - Administrators

If the faculties of the Authorized Persons will end upon the filing of the Certificate of Formation of a Limited Liability Company, the names, physical and mailing address of the persons who will act as Administrators until the first annual meeting of the members or until their successors replace them are as follows:

Name	ATLANTIC ENERGY HOLDINGS LLC
Street Address	C/O NEW FORTRESS ENERGY, 111 WEST 19TH STREET 8TH FLOOR, NEW YORK, NY, 10011
Mailing Address	C/O NEW FORTRESS ENERGY, 111 WEST 19TH STREET 8TH FLOOR, NEW YORK, NY, 10011
Email	LEGAL@NEWFORTRESSENERGY.COM
Expiration Date	Indefinite

### Article VI - Terms of Existence

The term of existence of this entity will be: **Perpetual** The date from which the entity will be effective is: **11-Dec-2017** 

### Supporting Documents

Document

**Date Issued** 

### STATEMENT UNDER PENALTY OF PERJURY

IN WITNESS WHEREOF, I/We MARTINEZ RIVERA, LUZ R., the undersigned, for the purpose of forming a limited liability company pursuant to the laws of Puerto Rico, hereby swear that the facts herein stated are true. This 11th day of December, 2017.



Government of Puerto Rico Department of State

Transaction Date: 12-Dec-2017 Register No: 402298 Order No: 1341538

### **Government of Puerto Rico**

Amendment to Articles of Incorporation

### 402298 - NFE ENERGÍA LLC

A resolution was adopted setting forth (a) proposed amendment(s) to the Certificate of Incorporation of said corporation, declaring said amendment(s) to be advisable.

RESOLVED, that the Certificate of Incorporation of this corporation be amended by changing the following *Article*(s)

Limited Liability Company Name

Previous NFE ENERGÍA LLC

Actual NFENERGÍA LLC

Supporting Documents	
Document	Date Issued
Administrator Resolution	12-Dec-2017

STATEMENT UNDER PENALTY OF PERJURY

IN WITNESS WHEREOF, I, Martinez Rivera, Luz R. [Attorney/Paralegal - Paralegal] the undersigned, being authorized to file amendment(s) for the corporation, hereby swear that the facts herein stated in this certificate are true, this 12th day of December, 2017.



Government of Puerto Rico Department of State

Transaction Date: 11-Dec-2017 Register No: 402298 Order No: 1341349

### **Government of Puerto Rico**

### Certificate of Formation of a Limited Liability Company

### Article I - Limited Liability Company Name

# The name of the Domestic Limited Liability Company is: NFE ENERGÍA LLC Desired term for the entity name is: LLC

Article II - Principal Office and Resident Agent

Its principal office in the Government of Puerto Rico will be located at:

Street Address	361 SAN FRANCISCO STREET, 4TH FLOOR, SAN JUAN, PR, 00901
Mailing Address	111 W. 19TH STREET 8TH FLOOR, NEW YORK, NY, 10011
Phone	(516) 268-7400

The name, street and mailing address of the Resident Agent in charge of said office is:

Name	CT CORPORATION SYSTEM
Street Address	361 SAN FRANCISCO STREET, 4TH FLOOR, SAN JUAN, PR, 00901
Mailing Address	PO BOX 9022946, SAN JUAN, PR, 00902-2946
Email	CLS-CTINTERNATIONAL@WOLTERSKLUWER.COM
Phone	(787) 725-2400

### Article III - Nature of Business

This is a For Profit entity whose nature of business or purpose is as follows:

THE COMPANY IS FORMED FOR THE PURPOSE OF ENGAGING IN ANY LAWFUL BUSINESS, PURPOSE OR ACTIVITY FOR WHICH LIMITED LIABILITY COMPANIES MAY BE FORMED UNDER THE ACT.

### Article IV - Authorized Persons

The name, street and mailing address of each Authorized Person is as follows:

Name	MARTINEZ RIVERA, LUZ R.
Street Address	270 MUÑOZ RIVERA AVE., 7TH FLOOR, SAN JUAN, PR, 00918
Mailing Address	PO BOX 364225, SAN JUAN, PR, 00936-4225
Email	LRM@MCVPR.COM

### Article V - Administrators

If the faculties of the Authorized Persons will end upon the filing of the Certificate of Formation of a Limited Liability Company, the names, physical and mailing address of the persons who will act as Administrators until the first annual meeting of the members or until their successors replace them are as follows:

Name	ATLANTIC ENERGY HOLDINGS LLC
Street Address	C/O NEW FORTRESS ENERGY, 111 WEST 19TH STREET 8TH FLOOR, NEW YORK, NY, 10011
Mailing Address	C/O NEW FORTRESS ENERGY, 111 WEST 19TH STREET 8TH FLOOR, NEW YORK, NY, 10011
Email	LEGAL@NEWFORTRESSENERGY.COM
Expiration Date	Indefinite

### Article VI - Terms of Existence

The term of existence of this entity will be: **Perpetual** The date from which the entity will be effective is: **11-Dec-2017** 

### Supporting Documents

Document

**Date Issued** 

### STATEMENT UNDER PENALTY OF PERJURY

IN WITNESS WHEREOF, I/We MARTINEZ RIVERA, LUZ R., the undersigned, for the purpose of forming a limited liability company pursuant to the laws of Puerto Rico, hereby swear that the facts herein stated are true. This 11th day of December, 2017.

#### AMENDED AND RESTATED

### LIMITED LIABILITY COMPANY AGREEMENT

### OF

### NFENERGÍA LLC

THIS AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (this "Agreement") of NFEnergía LLC (formerly known as NFE Energía LLC) (the "Company") is entered into as of the 11th day of December, 2017 (the "Effective Date"), by Atlantic Energy Holdings LLC, as the sole member of the Company (the "Member").

### RECITALS

WHEREAS, the Member caused the formation of the Company as a limited liability company under the laws of The Commonwealth of Puerto Rico on December 11, 2017 (register number 402298) and, on such date, entered into the Limited Liability Company Agreement of NFE Energía LLC in accordance with the provisions of the Puerto Rico General Corporations Act and any successor statute, as amended from time to time (the "Act"), governing the affairs of the Company and the conduct of its business;

WHEREAS, on December 12, 2017, the Member changed the name of the Company from "NFE Energía LLC" to "NFEnergía LLC" by filing a certificate of amendment with the Puerto Rico Department of State; and

WHEREAS, the Member desires to amend and restate the Company's limited liability company agreement to reflect such name change, and the other matters contained in this Agreement;

NOW THEREFORE, the Member hereby enters into this Agreement with effect as of the Effective Date:

### ARTICLE 1 The Limited Liability Company

1.1 <u>Formation</u>. The Member has previously caused the formation of the Company as a limited liability company pursuant to the provisions of the Act. A certificate of formation for the Company, as described in Article 19.12 of the Act (the "Certificate of Formation") has been filed at the Puerto Rico Department of State in conformity with the Act.

1.2 <u>Name</u>. The name of the Company shall be "NFEnergía LLC" and its business shall be carried on in such name with such variations and changes as the Member shall determine or deem necessary to comply with requirements of the jurisdictions in which the Company's operations are conducted. 1.3 <u>Business Purpose; Powers</u>. The Company is formed for the purpose of engaging in any lawful business, purpose or activity for which limited liability companies may be formed under the Act. The Company shall possess and may exercise all the powers and privileges granted by the Act or by any other law or by this Agreement, together with any powers incidental thereto, so far as such powers and privileges are necessary or convenient to the conduct, promotion or attainment of the business purposes or activities of the Company.

1.4 <u>Registered Office and Agent</u>. The location of the registered office of the Company shall be 361 San Francisco Street, 4th Floor, San Juan, Puerto Rico 00901. The Company's Registered Agent at such address shall be CT Corporation System.

1.5 <u>*Term.*</u> Subject to the provisions of Article 6 below, the Company shall have perpetual existence.

#### ARTICLE 2 The Member

2.1 *The Member*. The name and address of the Member is as follows:

Name

Address

Atlantic Energy Holdings LLC

c/o New Fortress Energy 111 West 19<sup>th</sup> Street, 8<sup>th</sup> Floor, New York, NY 10011

2.2 <u>Actions by the Member; Meetings</u>. The Member shall have the power to do any and all acts necessary or convenient to or for the furtherance of the purposes described herein, including, without limitation, all power, statutory or otherwise, possessed by member of limited liability company under the laws of The Commonwealth of Puerto Rico.

2.3 <u>Liability of the Member</u>. All debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Member shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member.

2.4 <u>Power to Bind the Company</u>. The Member (acting in its capacity as such), and Cameron MacDougall and Kenneth Nicholson (acting in the capacity of authorized signatories of the Company) shall each have the authority to bind the Company to any third party with respect to any matter. Individuals appointed as officers of the Company pursuant to Section 3.2 shall also have the authority to bind the Company to any third party. 2.5 <u>Admission of Members</u>. New members shall be admitted only upon the approval of the Member.

### ARTICLE 3 Management by the Member

3.1 <u>Management of the Company</u>. The management of the Company is fully reserved to the Member, and the Company shall not have "managers," as that term is used in the Act. The powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Member, who shall make all decisions and take all actions for the Company. Decisions or actions taken by the Member in accordance with this Agreement shall constitute decisions or action by the Company and shall be binding on the Company.

3.2 <u>Officers and Related Persons</u>. The Member shall have the authority, at any time, to appoint and terminate officers of the Company and retain and terminate employees, agents and consultants of the Company and to delegate such duties to any such officers, employees, agents and consultants as the Member deems appropriate, including the power, acting individually or jointly, to represent and bind the Company in all matters, in accordance with the scope of their respective duties. As of the Effective Date, the officers of the Company are:

Cameron MacDougall - Authorized Signatory

Brannen McElmurray – Authorized Signatory

Ken Nicholson – Authorized Signatory

Brittain Rogers - Authorized Signatory

Christopher Guinta – Authorized Signatory

Jack Finlay - Chief Financial Officer

### ARTICLE 4 Capital Structure and Contributions

4.1 <u>Capital Structure</u>. The capital structure of the Company shall consist of one class of 100 limited liability company membership interests (the "Common Interests"). All Common Interests shall be identical with each other in every respect. The Member shall own all 100 of the Common Interests.

4.2 <u>Capital Contributions</u>. From time to time, the Member may determine that the Company requires capital and may make capital contribution(s) in an amount determined by the Member. A capital account shall be maintained for the Member, to which contributions and profits shall be credited and against which distributions and losses shall be charged.

#### ARTICLE 5 Profits, Losses and Distributions

5.1 <u>Profits and Losses</u>. For financial accounting and tax purposes, the Company's net profits or net losses shall be determined on an annual basis in accordance with the manner determined by the Member. In each year, profits and losses shall be allocated entirely to the Member.

5.2 <u>Distributions</u>. The Member shall determine profits available for distribution and the amount, if any, to be distributed to the Member, and shall authorize and distribute on the Common Interests, the determined amount when, as and if declared by the Member. The distributions of the Company shall be allocated entirely to the Member.

#### **ARTICLE 6**

#### Events of Dissolution

The Company shall be dissolved and its affairs wound up upon the occurrence of either of the following events (each, an "Event of Dissolution"):

- (a) the Member votes for dissolution; or
- (b) a judicial dissolution of the Company under Article 19.48 of

the Act.

#### **ARTICLE 7**

#### Transfer of Interests in the Company

The Member may sell, assign, transfer, convey, gift, exchange or otherwise dispose of any or all of its Common Interests and, upon receipt by the Company of a written agreement executed by the person or entity to whom such Common Interests are to be transferred agreeing to be bound by the terms of this Agreement, such person shall be admitted as a member.

#### **ARTICLE 8**

#### **Exculpation and Indemnification**

8.1 <u>Exculpation</u>. Notwithstanding any other provisions of this Agreement, whether express or implied, or any obligation or duty at law or in equity, none of the Member, its affiliates nor any of their respective, nor the Company's officers, directors, stockholders, partners, employees, affiliates, representatives or agents (individually, a "Covered Person" and, collectively, the "Covered Persons") shall be liable to the Company or any other person for any act or omission (in relation to the Company, its property or the conduct of its business or affairs, this Agreement, any related document or any transaction or investment contemplated hereby or thereby) taken or omitted by a Covered Person in the reasonable belief that such act or omission is in or is not contrary to the best interests of the Company and is within the scope of authority granted to such Covered Person by the Agreement, provided such act or omission does not constitute fraud, willful misconduct, bad faith, or gross negligence.

8.2 Indemnification. To the fullest extent permitted by law, the Company shall indemnify and hold harmless each Covered Person from and against any and all losses, claims, demands, liabilities, expenses, judgments, fines, settlements and other amounts arising from any and all claims, demands, actions, suits or proceedings, civil, criminal, administrative or investigative (collectively, "Claims"), in which the Covered Person may be involved, or threatened to be involved, as a party or otherwise, by reason of its management of the affairs of the Company or which relates to or arises out of the Company or its property, business or affairs. A Covered Person shall not be entitled to indemnification under this Section 8.2 with respect to (i) any Claim with respect to which such Covered Person has engaged in fraud, willful misconduct, bad faith or gross negligence or (ii) any Claim initiated by such Covered Person unless such Claim (or part thereof) (A) was brought to enforce such Covered Person's rights to indemnification hereunder or (B) was authorized or consented to by the Member. Expenses incurred by a Covered Person in defending any Claim shall be paid by the Company in advance of the final disposition of such Claim upon receipt by the Company of an undertaking by or on behalf of such Covered Person to repay such amount if it shall be ultimately determined that such Covered Person is not entitled to be indemnified by the Company as authorized by this Section 8.2.

8.3 <u>Amendments</u>. Any repeal or modification of this Article 8 by the Member shall not adversely affect any rights of such Covered Person pursuant to this Article 8, including the right to indemnification and to the advancement of expenses of such Covered Person existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

8.4 *Limitations.* The rights of Covered Persons set forth in this Article 8 may be subject to limitation as provided in Articles 4.08 and 19.08 of the Act.

#### **ARTICLE 9**

#### Miscellaneous

9.1 <u>Tax Treatment</u>. The Member intends that the Company be treated as a corporation for Federal income tax purposes. In accordance with the foregoing, if directed by the Member, the Company shall file an Internal Revenue Service Form 8832 electing to classify the Company as a corporation for Federal income tax purposes pursuant to Treasury Regulation Section 301.7701-3.

9.2 <u>Amendments</u>. Amendments to this Agreement and to the Certificate of Formation shall be approved in writing by the Member. An amendment shall become effective as of the date specified in the approval of the Member or, if none is specified, as of the date of such approval or as otherwise provided in the Act.

9.3 <u>Severability</u>. If any provision of this Agreement is held to be invalid or unenforceable for any reason, such provision shall be ineffective to the extent

of such invalidity or unenforceability; *provided*, *however*, that the remaining provisions will continue in full force without being impaired or invalidated in any way unless such invalid or unenforceable provision or clause shall be so significant as to materially affect the expectations of the Member regarding this Agreement. Otherwise, any invalid or unenforceable provision shall be replaced by the Member with a valid provision that most closely approximates the intent and economic effect of the invalid or unenforceable provision.

9.4 <u>Governing Law</u>. This Agreement shall be governed by and construed in accordance with the laws of The Commonwealth of Puerto Rico without regard to the principles of conflicts of laws thereof.

9.5 <u>*Limited Liability Company.*</u> The Member intends to form a limited liability company and does not intend to form a partnership under the laws of The Commonwealth of Puerto Rico or any other laws.

9.6 <u>Effective Date</u>. By its signature below, the Member hereby enters into and adopts this Agreement effective as of the Effective Date, and expressly ratifies and adopts any and all actions taken by any officer or other authorized signatory of the Company (in his or her capacity as such), with full force and effect as of the Effective Date.

[signature page follows]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the day first above written.

Atlantic Energy Holdings LLC

Name: Title: Brittain Rogers Authorized Signatory

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Modelo SC 2918 Rev. 23 ene 17

### SUITI SETEMA UNIFICADO CERTIFICADO DE REGISTRO DE COMERCIANTE

#### Nombre Localidad:

NFENERGIA LLC

361 SAN FRANCISCO STREET, FLOOR 4 SAN JUAN PR 00901 Nombre Legal:

NFENERGIA LLC 361 CALLE DE SAN FRANCISCO STE PH SAN JUAN PR 00901-1738

# 1069200-0020

### AGENTE RETENEDOR

Fecha de Emisión:

05-feb-2019

Fecha de Expiración: 30-sep-2020

Tipo de Certificado: Comerciante

Código NAICS:

22121

Actividad Comercial: Distribución de Gas Natural

Certifico que este comerciante está inscrito en el Registro de Comerciantes del Departamento de Hacienda.

rancisio lares TT

Secretario Auxiliar de Rentas Internas

Este Certificado no es transferible y el mismo deberá exhibirse en todo momento en un lugar visible al público en la localidad indicada.



L0776343040

NFEnergía LLC Exhibit A Docket No. CP21-\_\_\_-000

#### Formation Documents for NFEnergía LLC

Attached please find the Certificate of Formation and Limited Liability Company Agreement of NFEnergía LLC.

The officers of NFEnergía LLC are:

Name	Office	Nationality
John Finley	Chief Financial Officer	UK
Christopher Guinta	Authorized Signatory	US
Brannen McElmurray	Authorized Signatory	US
Cameron MacDougall	Authorized Signatory	US

### **DOCKET NO. CP21-\_\_\_-000**

### Exhibit B

Explanation of Financial and Corporate Relationships

Exhibit B NFEnergía LLC Docket No. CP21-\_\_\_-000

#### **Explanation of Financial and Corporate Relationships**

NFEnergía LLC ("NFEnergía") is a Puerto Rico domestic limited liability company with its primary place of business located at 111 W 19<sup>th</sup> Street New York, New York 10011. NFEnergía is a wholly owned, indirect subsidiary of New Fortress Energy Inc., a publicly traded entity (NASDAQ: NFE) and a global energy infrastructure company that funds, builds, and operates natural gas infrastructure and logistics to deliver fully integrated, turnkey energy solutions. New Fortress Energy LLC, the named party in the Order on Show Cause, converted to a corporation and became New Fortress Energy Inc. on August 7, 2020.

Please see the organizational chart included as Appendix A.2 to Resource Report 13, which details the ownership structure of NFEnergía.

### DOCKET NO. CP21-\_\_-000

Exhibit C

Opinion of Counsel

#### 111 W 19<sup>TH</sup> STREET, 8<sup>TH</sup> FLOOR



September 15, 2021

Ms. Kimberly D. Bose, Secretary Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

#### Re: NFEnergía LLC Docket No. CP21-\_\_\_-000 Application for Authorization Under the Natural Gas Act

Dear Ms. Bose:

NFEnergía LLC ("NFEnergía") is applying to the Federal Energy Regulatory Commission ("Commission") pursuant to Section 3(a) of the Natural Gas Act for authorization under Section 3 of the Natural Gas Act to operate a liquefied natural gas ("LNG") import facility (the "Micro-Fuel Handling Facility," or "MFH Facility"), located at the Port of San Juan, Puerto Rico.

I furnish this opinion pursuant to 18 C.F.R. Section 153.8(a)(3), which requires that NFEnergía provide, as Exhibit C to its application, an opinion of counsel that the proposal is within the authorized powers of NFEnergía and that NFEnergía has complied with the laws and regulations of the states and/or commonwealths in which it operates. For the purposes of this opinion, I have examined all relevant documents and made examinations of law as I deemed necessary.

Based upon the foregoing, I am of the opinion that the proposal is within the authorized powers of NFEnergía and that NFEnergía is in compliance with the laws and regulations of the states and/or commonwealths in which it operates.

Sincerely,

Canon Mochorgall Cameron MacDougall

Cameron MacDougall General Counsel NFEnergía Energy LLC 111 W 19th Street New York, New York 10011 Phone: (202) 479-1522 Email: cmacdougall@fortress.com

### **DOCKET NO. CP21-\_\_\_-000**

### Exhibit E

Safety Report

Attached in Resource Reports 11 and 13

### DOCKET NO. CP21-\_\_-000

### Exhibit E-1

Earthquake Hazards and Engineering Attached in Resource Report 13 as Appendix 13.I.1

### DOCKET NO. CP21-\_\_-000

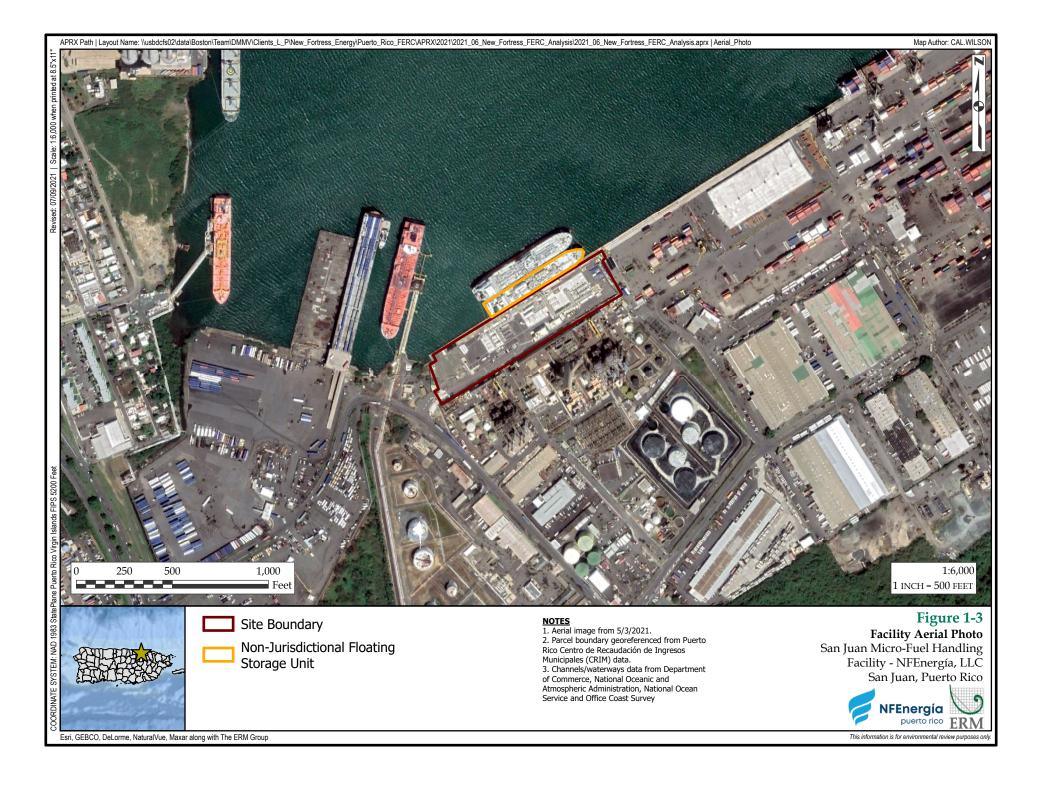
### Exhibit F

Environmental Report Enclosed under Separate Cover

### DOCKET NO. CP21-\_\_-000

### Exhibit G

Map of Location



### DOCKET NO. CP21-\_\_\_-000

### Exhibit H

Federal Authorizations Attached in Resource Report 1 as Table 1-1 and Appendix 1B

### DOCKET NO. CP21-\_\_\_-000

### Exhibit Z-1

Form of Protective Agreement

#### FORM OF PROTECTIVE AGREEMENT

This Protective Agreement ("Protective Agreement"), is made and entered into as of ("Effective Date"), by and between NFEnergía LLC ("NFEnergía") and [counterparty] ("Participant," and together with NFEnergía, the "Parties").

**WHEREAS**, a certificate application regarding NFEnergía's muti-fuel handling facility ("MFH Facility") is currently pending before the Federal Energy Regulatory Commission ("Commission") in Docket No. CP21-\_\_\_-000 ("Section 3 Proceeding");

**WHEREAS**, pursuant to Section 388.112(b) of the Commission's regulations, 18 C.F.R. § 388.112(b) (2020), this Protective Agreement will apply to requests for a copy of the complete, non-public version of any document filed by NFEnergía as privileged or as Critical Energy Infrastructure Information (CEII) in the Section 3 Proceeding; and

**WHEREAS**, Participant is submitting this Protective Agreement as part of its request pursuant to 18 C.F.R. § 388.112(b)(iii) for a complete, non-public version of [name of document(s)] included in the Commission's eLibrary under Accession No[s]. [\_\_\_\_] ("Protected Materials") subject to the terms of this Protective Agreement;

**NOW, THEREFORE**, NFEnergía and Participant agree as follows:

1. This Protective Agreement shall govern the use of all Protected Materials produced by, or on behalf of, NFEnergía to Participant hereunder. Notwithstanding any order terminating the Section 3 Proceeding, this Protective Agreement shall remain in effect until specifically modified or terminated by (i) written agreement of the Parties, (ii) the Commission or (iii) any applicable Presiding Administrative Law Judge ("Presiding Judge") (which includes the Chief Administrative Law Judge).

2. This Protective Agreement applies to the Protected Materials, as defined in the recitals to this Protective Agreement. Notwithstanding anything herein to the contrary, NFEnergía's delivery of Protected Materials to Participant pursuant to this Protective Agreement shall not affect the Protected Materials' protected status under the Commission's regulations and Freedom of Information Act, 5 U.S.C. 552 ("FOIA").

- 3. Definitions -- For purposes of this Protective Agreement:
- (a) The term "Notes of Protected Materials" means memoranda, handwritten notes, or any other form of information (including electronic form) which copies or discloses materials described in the Protected Materials. Except as specifically provided in this Protective Agreement, Notes of Protected Materials are subject to the same terms and restrictions as the Protected Materials under this Protective Agreement.
- (b) The term "Non-Disclosure Certificate" shall mean the certificate annexed to this Protective Agreement by which the Reviewing Representative(s) of the Participant who have been granted access to Protected Materials shall certify

their understanding that such access to Protected Materials is provided pursuant to the terms and restrictions of this Protective Agreement, and that such Reviewing Representative has read the Protective Agreement and agrees to be bound by it.

- (c) The term "Non-Disclosure Certificate of Marketing Personnel" shall mean the attached certificate by which representatives of Participants who are Marketing Personnel pursuant to Paragraph 23 acknowledge that they are prohibited from reviewing Protected Materials that are marked "Not Available to Marketing Personnel" pursuant to Paragraph 23, shall certify their agreement that they shall neither have access to, nor disclose, the contents of the Protected Materials that are marked "Not Available to Marketing Personnel," any notes or other memoranda, or any other form of information that copies or discloses Protected Materials that are marked as "Not Available to Marketing Personnel," and that such Reviewing Representative has read the Protective Agreement and agrees to be bound by it.
- (d) The term "Reviewing Representative" shall mean a person who has signed a Non-Disclosure Certificate or a Non-Disclosure Certificate for Marketing Personnel, as applicable, and who is: (i) an attorney who has made an appearance in this Section 3 Proceeding for Participant; (ii) attorneys, paralegals, and other employees associated for purposes of this Section 3 Proceeding with an attorney described in Paragraph 3(d)(i); (iii) an expert or an employee of an expert retained by Participant for the purpose of advising, preparing for or testifying in this Section 3 Proceeding; or (iv) employees or other representatives of Participant appearing in this Section 3 Proceeding with significant responsibility for this docket.

4. Protected Materials shall be made available under the terms of this Protective Agreement only to Participant's Reviewing Representatives; provided that if the Protective Materials include prices, price-related provisions and/or credit support provisions, NFEnergía may redact the rates, rate-related provisions and credit support provisions from the version of the Protected Materials provided to Participant's Reviewing Representatives. In the event that NFEnergía redact any such information, if requested by Participant the Parties shall meet to discuss the terms and conditions under which one or more of Participant's Reviewing Representatives may be provided such redacted information. If no agreement is reached, Participant may submit such dispute to the Commission or the Presiding Judge, if any, for resolution.

5. Protected Materials shall remain available to Participant until the later of the date that an order terminating this Section 3 Proceeding becomes no longer subject to judicial review, or the date that any other Commission proceeding relating to the Protected Materials is concluded and no longer subject to judicial review. If requested to do so in writing after that date, Participant shall, within fifteen (15) days of such request, return the Protected Materials (excluding Notes of Protected Materials) to NFEnergía, or shall destroy the materials, except that copies of filings,

official transcripts and exhibits in this proceeding that contain Protected Materials, and Notes of Protected Materials may be retained, if they are maintained in accordance with Paragraph 6, below. Within such time period, Participant, if requested to do so, shall also submit to NFEnergía an affidavit stating that, to the best of its knowledge, all Protected Materials, including those materials designated "Not Available to Marketing Personnel," and all Notes of Protected Materials have been returned or have been destroyed or will be maintained in accordance with Paragraph 6. To the extent Protected Materials are not returned or destroyed, they shall remain subject to the Protective Agreement.

6. All Protected Materials shall be maintained by Participant in a secure place. Access to those materials shall be limited to those Reviewing Representatives specifically authorized pursuant to Paragraphs 8-9.

7. Protected Materials shall be treated as confidential by Participant and by the Reviewing Representative in accordance with the Non-Disclosure Certificate executed pursuant to Paragraph 9. Protected Materials shall not be used by Participant or a Reviewing Party except as necessary for the conduct of the Section 3 Proceeding, nor shall they be disclosed in any manner to any person except a Reviewing Representative of Participant who is engaged in the conduct of the Section 3 Proceeding and who needs to know the information in order to carry out that person's responsibilities in the Section 3 Proceeding. Reviewing Representatives may make copies of Protected Materials, but such copies become Protected Materials. Reviewing Representatives may make notes of Protected Materials, which shall be treated as Notes of Protected Materials if they disclose the contents of Protected Materials.

8. (a) A Reviewing Representative may not use information contained in any Protected Materials obtained through this proceeding to give Participant, any customer or potential customer of NFEnergía or any competitor of NFEnergía a commercial advantage or for any other purpose other than the prosecution or defense of the proceedings conducted under this Section 3 Proceeding.

(b) Subject to the provisions of Paragraph 23 regarding access to Protected Materials that are Not Available to Marketing Personnel, in the event that Participant wishes to designate as a Reviewing Representative a person not described in Paragraph 3(d) above, Participant shall seek agreement from NFEnergía. If an agreement is reached, that person shall be a Reviewing Representative pursuant to Paragraph 3(d) above with respect to those materials. If no agreement is reached, Participant may submit the disputed designation to the Commission or the Presiding Judge, if any, for resolution.

9. (a) A Reviewing Representative shall not be permitted to inspect, participate in discussions regarding, or otherwise be permitted access to Protected Materials pursuant to this Protective Agreement unless that Reviewing Representative has first executed (i) a Non-Disclosure Certificate or (ii) a Non-Disclosure Certificate for Marketing Personnel, as applicable; <u>provided</u>, that if an attorney qualified as a Reviewing Representative has executed such a certificate, the paralegals, secretarial and clerical personnel employed by the same entity as the

attorney and under the attorney's instruction, supervision or control need not do so. A copy of each Non-Disclosure Certificate shall be provided to counsel for NFEnergía prior to disclosure of any Protected Material to that Reviewing Representative.

(b) Attorneys qualified as Reviewing Representatives are responsible for ensuring that persons under their instruction, supervision or control comply with this Protective Agreement.

10. Subject to Paragraph 4 above and to the provisions of Paragraph 23 regarding access to Protected Materials that are Not Available to Marketing Personnel, any Reviewing Representative may disclose Protected Materials to any other Reviewing Representative of Participant as long as the disclosing Reviewing Representative and the receiving Reviewing Representative both have executed a Non-Disclosure Certificate. In the event that any Reviewing Representative to whom the Protected Materials are disclosed ceases to be engaged in this Section 3 Proceeding, or is employed or retained for a position whose occupant is not qualified to be a Reviewing Representative under Paragraph 3(d), access to Protected Materials by that person shall be terminated. Even if no longer engaged in this Section 3 Proceeding, every person who has executed a Non-Disclosure Certificate shall continue to be bound by the provisions of this Protective Agreement and the certification.

11. Subject to Paragraph 18, the Commission or Presiding Judge, if any, shall resolve any disputes arising under this Protective Agreement. Prior to presenting any dispute under this Protective Agreement to the Commission or Presiding Judge, the Parties shall use their best efforts to resolve it.

12. All copies of all documents reflecting Protected Materials, including the portion of the hearing testimony, exhibits, transcripts, briefs and other documents which refer to Protected Materials, shall be filed and served in sealed envelopes or other appropriate containers endorsed to the effect that they are sealed pursuant to this Protective Agreement. Such documents shall be marked "PROTECTED MATERIALS" and shall be filed under seal and served under seal upon the Commission, the Presiding Judge, if any, and the other Party. Any such documents containing Critical Energy Infrastructure Information shall be additionally marked "Contains Critical Energy Infrastructure Information – Do Not Release". For anything filed under seal, redacted versions or, where an entire document is protected, a letter indicating such, will also be filed with the Commission and served on the other Party and the Presiding Judge, if any. Counsel shall take all reasonable precautions necessary to assure that Protected Materials are not distributed to unauthorized persons.

13. If Participant desires to include, utilize or refer to any Protected Materials or information derived therefrom in any submission during this proceeding in such a manner that might require disclosure of such material to other participants in the Section 3 Proceeding, Participant shall first notify counsel for NFEnergía and the Commission or Presiding Judge, if any, of such desire, identifying with particularity each of the Protected Materials. Thereafter, use of such Protected Materials will be governed by procedures determined by the Commission or Presiding Judge, if any.

14. Nothing in this Protective Agreement shall be construed as precluding NFEnergía from objecting to the use of Protected Materials on any legal grounds.

15. Nothing in this Protective Agreement shall preclude Participant from requesting the Commission, the Presiding Judge, if any, or any other body having appropriate authority, to find that this Protective Agreement should not apply to all or any materials previously designated as Protected Materials pursuant to this Protective Agreement.

16. [Intentionally omitted]

17. All Protected Materials filed with the Commission, the Presiding Judge, if any, or any other judicial or administrative body, in support of, or as a part of, a motion, other pleading, brief, or other document, shall be filed and served in sealed envelopes or other appropriate containers bearing prominent markings indicating that the contents include Protected Materials subject to this Protective Agreement.

18. If the Commission or Presiding Judge, if any, finds at any time in the course of this proceeding that all or part of the Protected Materials need not be protected, those materials shall, nevertheless, be subject to the protection afforded by this Protective Agreement for three (3) business days from the date of issuance of the Commission or Presiding Judge's determination, and if NFEnergía files an interlocutory appeal or, if applicable, requests that the issue be certified to the Commission, for an additional seven (7) business days. NFEnergía has not waived its rights to seek additional administrative or judicial remedies after any decision respecting Protected Materials or Reviewing Representatives. The provisions of 18 C.F.R. §§ 388.112 and 388.113 shall apply to any requests under the FOIA for Protected Materials in the files of the Commission.

19. Nothing in this Protective Agreement shall be deemed to preclude either Party from independently seeking through discovery in any other administrative or judicial proceeding information or materials produced in this proceeding under this Protective Agreement.

20. NFEnergía does not waive its right to pursue any other legal or equitable remedies that may be available in the event of actual or anticipated disclosure of Protected Materials.

21. Participant shall not disclose the contents of Protected Materials or any other form of information that copies or discloses Protected Materials to anyone other than in accordance with this Protective Agreement and only use such contents and information in connection with this Section 3 Proceeding. Any violation of this Protective Agreement and of any Non-Disclosure Certificate executed hereunder shall constitute a breach of the Protective Agreement.

22. NFEnergía may physically mark with the words "Not Available to Marketing Personnel" any Protected Materials that NFEnergía believes in good faith would, if disclosed to Reviewing Representatives without added precautions beyond Paragraphs 1-21 of this Protective Agreement, subject NFEnergía, or third party(ies), to undue risk of competitive disadvantage or business injury. Such information may include, but is not limited to (a) non-public business development, acquisition, or marketing data, pricing strategies, plans or activities; (b) non-public financial data,

or strategic business or financial plans or activities; or (c) negotiations of services, prices and rates, the public disclosure of which NFEnergía in good faith believes would competitively harm NFEnergía or one or more third parties (hereinafter "Market Sensitive Information"). Any challenge to such a designation may be made as provided in this Protective Agreement for challenges to designations of Protected Materials.

23. (a) Solely with respect to Protected Materials that have been marked "Not Available to Marketing Personnel" and information derived therefrom, and subject to the other terms of this Paragraph 23, a Reviewing Representative shall not be any employee or agent of a receiving Participant whose duties include: (1) the marketing of natural gas or natural gas transportation or storage services or facilities, or management or supervisory responsibility thereof; or (2) the development, planning, construction, marketing or operation of an LNG terminal or a prospective LNG terminal that competes, may compete with NFEnergía, or management or supervisory responsibility thereof; or (3) the provision of consulting services related to the development, planning, construction, marketing or operation of an LNG terminal or a prospective LNG terminal, or the acquisition of or marketing of LNG terminal capacity that currently competes, or may potentially compete, with NFEnergía regarding the provision of LNG terminal services; or (4) management responsibility regarding other business activities in which use of Market Sensitive Information could be reasonably expected to cause competitive harm to NFEnergía (collectively, "Marketing Duties" and persons whose duties or responsibilities include Marketing Duties are referred to herein as "Marketing Personnel").

(b) Notwithstanding the foregoing, a person who otherwise would be disqualified as Marketing Personnel may serve as a Reviewing Representative upon agreement of NFEnergía, in the absence of such agreement, upon entry of an order of the Presiding Judge or the Commission authorizing such person to serve as a Reviewing Representative. Any request for an agreement or order under the preceding sentence shall be subject to the following conditions: (i) the Participant who employs or has retained the person in question must certify in writing to NFEnergía that the certifying Participant's ability to participate effectively in this proceeding would be prejudiced if it was unable to rely on the assistance of the particular Reviewing Representative; (ii) the Participant claiming such prejudice must identify by name and job title the particular Reviewing Representative required and must describe the person's duties and responsibilities for the requesting Participant; (iii) the Participant claiming such prejudice must acknowledge in writing to NFEnergía that access to the Protected Materials which are Not Available to Marketing Personnel shall be restricted only to such access necessary for the litigation of this proceeding, absent prior written consent of NFEnergía or authorization of the Commission or the Presiding Judge with opportunity for NFEnergía to seek review of such decision as provided in this Protective Agreement; (iv) such Participant must acknowledge in writing that any other use of Protected Materials which are Not Available to Marketing Personnel shall constitute a violation of this Protective Agreement; and (v) prior to having access to any Protected Materials which are Not Available to Marketing Personnel, the Marketing Personnel who is authorized to act as a Reviewing Representative must execute and deliver to NFEnergía a Non-Disclosure Certificate Regarding Market Sensitive Information acknowledging his or her familiarity with the contents of this Protective Agreement and the particular restrictions set forth in this paragraph regarding such Protected Materials. Such

agreement by NFEnergía shall not be unreasonably withheld, delayed or conditioned. Provided that Protected Materials are clearly and correctly labeled, compliance with this Protective Agreement shall be the responsibility of the receiving Participant. Materials marked as "Not Available to Marketing Personnel" shall be returned or destroyed at the conclusion of this proceeding as otherwise provided in this Protective Agreement.

(c) Notwithstanding the above, in-house and outside counsel for Participant and experts who are not Marketing Personnel may serve as a Reviewing Representative of Market Sensitive Information, provided such persons abide by the restrictions in this Protective Agreement and do not disclose such Market Sensitive Information to Marketing Personnel. Subject to the preceding sentence, in the event that any person who has been a Reviewing Representative subsequently is assigned to perform any Marketing Duties, such Reviewing Representative immediately shall cease accessing Protected Materials that are marked "Not Available to Marketing Personnel" or information derived therefrom and shall immediately dispose of any Protected Materials of other Participants in his/her possession that are marked "Not Available to Marketing Personnel" or information derived therefrom and shall continue to comply with the requirements of the Non-Disclosure Certificate and this Protective Agreement with respect to any Protected Materials to which such person previously had access.

IN WITNESS WHEREOF, the Parties hereto have caused this Protective Agreement to be duly executed in several counterparts by their proper officers duly authorized as of the Effective Date.

NFEnergía LLC

By\_\_\_\_\_

Title

[COUNTERPARTY]

By\_\_\_\_\_

Title \_\_\_\_\_

#### NON-DISCLOSURE CERTIFICATE

I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Protective Agreement between NFEnergía LLC and [counterparty] dated \_\_\_\_\_\_\_, that I have been given a copy of and have read the Protective Agreement, and that I agree to be bound by it. I certify that my duties and responsibilities do not include "Marketing Duties" as described in Paragraph 23 of the Protective Agreement. I understand that the contents of the Protected Materials, any notes or other memoranda, or any other form of information that copies or discloses Protected Materials shall not be disclosed to anyone other than in accordance with that Protective Agreement. I recognize that material marked "Not Available to Marketing Personnel" or the contents thereof may not be disclosed to those with duties and responsibilities that include "Marketing Duties," except for disclosure to experts, whether testifying or not, as specifically provided in the Protective Agreement. I acknowledge that a violation of this certificate constitutes a breach of the Protective Agreement.

By:		
Printed Name:		
Title:		
Representing:		
Date:		

#### NON-DISCLOSURE CERTIFICATE OF MARKETING PERSONNEL

I hereby certify my understanding that access to Protected Materials is provided to me pursuant to the terms and restrictions of the Protective Agreement between NFEnergía LLC and [counterparty] dated \_\_\_\_\_\_\_\_, that I have been given a copy of and have read the Protective Agreement, and that I agree to be bound by it. I acknowledge that my duties and responsibilities include "Marketing Duties" as described in Paragraph 23 of the Protective Agreement and, as such, I understand that I shall neither have access to, nor disclose, the contents of the Protected Materials that are marked "Not Available to Marketing Personnel," or any notes, other memoranda, or any other form of information that copies or discloses Protected Materials that are marked "Not Available to Marketing Personnel." I acknowledge that a violation of this certificate constitutes a breach of the Protective Agreement.

By:	
Printed Name:	
Title:	
Representing:	
Date:	