



Department of Energy Continues to Issue Orders that Support Liquefied Natural Gas Exports with Extension Authorization to Golden Pass LNG Terminal LLC

March 10, 2025

Reading Time : **4 min**

By: Emily P. Mallen, Stephen J. Hug, Christopher A. Treanor, Scott Daniel Johnson, Ben N. Reiter, Jameson L. Calitri, Sharmila P. Das

On March 5, 2025, the United States Department of Energy (DOE) approved Golden Pass LNG Terminal LLC's (GPLNG) request to extend a deadline to begin exporting liquefied natural gas (LNG) from its terminal facility currently under construction in Sabine Pass, Texas for 18 months, from September 30, 2025, to March 31, 2027 (the [Order](#)). The Order amends GPLNG's two existing long-term orders authorizing the export of domestically produced LNG to countries with which the United States does and does not have free trade agreements (FTA).¹ The Order does not amend the authorizations' end date, which remains December 31, 2050. Under section 3 of the Natural Gas Act (NGA), the DOE may authorize exports to non-FTA countries following completion of a "public interest" review, whereas exports to FTA countries are deemed to be in the public interest and the DOE is directed to issue authorizations without modification or delay.

The Order is significant because it upholds and applies the DOE's Policy Statement on Export Commencement Deadlines in Authorizations to Export Natural Gas to Non-Free Trade Agreement Countries (the [Policy Statement](#)) initiated under President Biden in April 2023. In the Policy Statement, the DOE formalized a practice of giving LNG terminal developers seven years from receipt of orders authorizing LNG exports to non-FTA countries to commence commercial export. It gave notice that applications to extend the seven-year deadline would require the authorization holder to demonstrate that: (1) the authorization holder, or its affiliate, has physically commenced construction on the associated export facility prior to requesting additional time; and (2) its inability to comply with the export commencement

deadline is the result of extenuating circumstances outside of the authorization holder's control, including but not limited to acts of God. However, whereas the DOE denied one applicant's extension request in April 2023, concurrent with its issuance of the Policy Statement, the Order represents the first time that the DOE has applied the Policy Statement to grant an extension request.

In the Order, the DOE found that GPLNG met both conditions permitting an extension of time. Specifically, the DOE determined that the company's export terminal has been under construction for the past five years and was 80% complete as of November 2024, and that work stoppages arising from the Chapter 11 bankruptcy filing of the project's lead construction contractor in May 2024 delayed completion and was outside of GPLNG's control. It further stated that an extension was in the public interest because it would provide certainty to GPLNG, its LNG buyers, gas suppliers, and the contractors and suppliers working on the project. The DOE cited as additional support that the Federal Energy Regulatory Commission (FERC), which has jurisdiction over the siting, construction, and operation of the Terminal under the NGA, determined based on the same factual circumstances that it was appropriate to extend the terminal's construction and in-service deadline to November 30, 2029.² The DOE noted that the FERC extension order supports GPLNG's application, especially given that an extension to March 31, 2027 is before FERC's approved in-service deadline. The DOE also found that extending the deadline to commence non-FTA exports from the GPLNG terminal does not alter its prior public interest determination under NGA section 3.

The Order is also significant because the DOE declined a commenter's request to withhold granting GPLNG's requested extension until after it completes a review of the "[2024 LNG Export Study: Energy, Economic, and Environmental Assessment of U.S. LNG Exports](#)", published in the Federal Register on December 20, 2024 (the 2024 Study). The DOE explained that pending extension requests were explicitly excluded from the study process, which arose following the "temporary pause" in the DOE's review of LNG export applications that was announced by the Biden administration in January 2024. Therefore, the DOE determined that it could approve the GPLNG extension request, which did not alter its prior public interest determination, without delay. The public comment period for the 2024 Study will close on March 20, 2025.

The Order also marks the third action taken by the DOE in support of LNG exports in three weeks. On February 14, 2025, the DOE granted Commonwealth LNG, LLC a conditional

authorization to export LNG to non-FTA countries, pending finalization of the 2024 Study process. Then, on February 25, 2025, the DOE issued an order on rehearing to JAX LNG, LLC clarifying that the DOE would not exercise its NGA jurisdiction over ship-to-ship transfers of LNG for marine fuel use at a United States port, in U.S. waters, or in international waters, also referred to as bunkering. It explained that the only bunkering-related activity that will be deemed to be an export under the NGA is a ship-to-ship transfer of domestic LNG when the receiving ship is located in the territorial sea of a foreign country. Akin expects additional orders as the comment period closes for the 2024 Study.

¹ See DOE/FE Order No. 3147, as amended (Docket No. 12-88-LNG), which authorizes exports in a volume equal to 937 billion cubic feet per year of natural gas for a term extending through December 31, 2050, to any FTA Country, pursuant to section 3(c) of the NGA; DOE/FE Order No. 3978, as amended (Docket No. 12-156-LNG), which authorizes exports in a volume equal to 937 billion cubic feet per year of natural gas for a term extending through December 31, 2050, to any Non-FTA Country, pursuant to section 3(a) of the NGA.

² *Golden Pass LNG Terminal, LLC*, Docket No. CP14-517-002, Letter Order Granting Extension of Time (Oct. 24, 2024).

Categories



© 2025 Akin Gump Strauss Hauer & Feld LLP. All rights reserved. Attorney advertising. This document is distributed for informational use only; it does not constitute legal advice and should not be used as such. Prior results do not guarantee a similar outcome. Akin is the practicing name of Akin Gump LLP, a

New York limited liability partnership authorized and regulated by the Solicitors Regulation Authority under number 267321. A list of the partners is available for inspection at Eighth Floor, Ten Bishops Square, London E1 6EG. For more information about Akin Gump LLP, Akin Gump Strauss Hauer & Feld LLP and other associated entities under which the Akin Gump network operates worldwide, please see our Legal Notices page.