RECEIVED
By Docket Room at
8:00am, Dec. 16, 2014

November 3rd 2014

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

Air Flow North America Corp. Docket No.: 14-206-LNG

APPLICATION OF AIR FLOW NORTH AMERICA CORP.
FOR LONG-TERM AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS
TO NON-FREE TRADE AGREEMENT COUNTRIES

Pursuant to Section 3 of the Natural Gas Act[1] and Part 590 of the regulations of the Department of Energy ("DOE")[2], Air Flow North America Corp. ("AIR FLOW") submits this application ("Application") to the DOE Office of Fossil Energy ("DOE/FE") or long-term, multi-contract authorization to export up to a total of 22,000 gallons per day per day[3] of liquefied natural gas ("LNG") for a twenty- five year period to non FTA countries (as defined herein), commencing on the earlier of the date of first export or five years from the date the requested authorization is granted. AIR FLOW requests that such authorization allow it to export domestically sourced LNG to any country located within Central America, South America or the Caribbean or Africa, which has, or in the future develops, the capacity to import LNG via ocean-going carriers (by use of approved ISO IMO7/TVAC-ASME LNG containers transported on ocean-going carriers), and with which trade is not prohibited by United States law or policy.

This is the 2nd application AIR FLOW has submitted to the DOE/FE relating to the proposed export of LNG. The first application filed on March, 14th, 2014, in Docket No. 14-53-LNG, related to exports of LNG to FTA countries in Central America, South America or the Caribbean with which the United States has or in the future will have a free trade Agreement requiring national treatment for trade in Natural gas and LNG (“FTA”). This authorization sought in that application, which was reviewed in Section 3(c) of the Natural Gas Act, was granted by DOE/FE on August 29th, 2014.

This second application relates to exports to non-FTA countries, and is reviewed under Section 3(a) of the Natural Gas Act, which “creates a rebuttable presumption that a proposed export of natural gas is in the

[1] 15 U.S.C. §717b (2010)
[2] 10 C.F.R. §590 (2012)
[3] Approximately 0.67 billion standard cubic feet of gas ("bscf") per year, considering a conversion rate of 1 gallon of LNG equal 84.13 cubic feet of CNG at a temperature of 60°F and under atmospheric pressure. This represents the maximum total of LNG that AIR FLOW expects to export in any year during the period of authorization to non FTA countries.

public interest."[4] Under this standard, the DOE/FE "must grant [an export] application unless those who oppose the application overcome that presumption."[5]

In support of this Application, AIR FLOW respectfully states the following:

I.

DESCRIPTION OF APPLICANT

The exact legal name of the applicant is Air Flow North America Corp., a corporation organized under the laws of the State of Delaware. The principal place of business of AIR FLOW is located at 8665 New Trails Drive, Suite 100, The Woodlands, TX 77381.

Stock in AIR FLOW is held at 90% by Airflow SAS, a corporation incorporated in France ("Airflow France") and at 10% by SIL, a corporation incorporated in France ("SIL").

II.

COMMUNICATIONS

Communications regarding this application should be directed to the following:

Pierre FIAT	Kelly Marull
CEO	General Manager
8665 New Trails Drive, Suite 100,	8665 New Trails Drive, Suite 100,
The Woodlands, TX 77381	The Woodlands, TX 77381
Tel: +1 832 564 3601	Tel: +1 832 564 3660
Mob: + 33 698 86 46 89	Mob: + 281 782 0672
pfiat@air-flow.us	kmarull@air-flow.us

[4] *Sabine Pass Liquefaction LLC*, FE Docket No 10-111-LNG, Order No 2961 at 28 (May 20, 2011) ("Sabine Order"); *see also* 15 U.S.C. § 717b (2011)
[5] *Id*

III.

DESCRIPTION OF EXPORT PROPOSAL

AIR FLOW proposes to export up to 22,000 galons per day of Liquid Natural Gas from domestic sources to any country located within Central America, South America or the Caribbean or Africa, which has, or in the future develops, the capacity to import LNG via ocean-going carriers (by use of approved ISO IMO7/TVAC-ASME LNG containers transported traditional large ocean-going cargo vessels), and with which trade is not prohibited by United States law or policy.

On September, 6th, 2013, AIR FLOW formalized an agreement to obtain LNG supplies from Clean Energy Corporation[6], a major U.S. energy company with operations in natural gas distribution, retail, and wholesale markets. On November 10th, 2014, Air Flow signed an amendment to this contract extending the length of the agreement. Under this agreement, AIR FLOW proposes to export domestically-sourced LNG from Clean Energy's existing LNG production facility in Willis, TX 77318. Currently, the Clean Energy facility in Willis produces 100,000 gallons of LNG per day. This facility has the capability to load LNG onto trucks and ISO containers. As noted in the September, 6th, 2013, agreement (attached as Exhibit A), Clean Energy would make sales from its Willis facility with the appropriate authorizations to do so.

LNG from the Clean Energy facility will be loaded into AIR FLOW ISO containers. AIR FLOW's ISO containers will be transported via trucks to South eastern seaport (Houston, Texas) in United States. AIR FLOW Iso containers will then be transported by cargo vessel capable of carrying ISO containers. AIR FLOW proposes to export these volumes from one or more ports in the Southeastern United States as described in appendix B. AIR FLOW also requests authorization to load at any other U.S. port that is now or will be in the future capable of loading ISO containers[7].

With regard to downstream users of the LNG that AIR FLOW will transport, AIR FLOW has had discussions with a major downstream distributor as well as with customers in non FTA countries. AIR FLOW's discussions have focused on serving growing demand for natural gas from the power plant

[6] Clean Energy is a California-based energy services holding company with operations in natural gas distribution, retail, wholesale, and midstream operations. Clean Energy is the largest provider of natural gas fuel for transportation in North America, fueling over 30,000 vehicles each day at approximately 400+ fueling stations throughout the United States and Canada. With a broad customer base in a variety of markets, including trucking, airport shuttles, taxis, refuse, and public transit, they build and operate compressed natural gas (CNG) and liquefied natural gas (LNG) fueling stations; manufacture CNG and LNG equipment and technologies for themselves and other companies; and develop renewable natural gas (RNG) production facilities (source www. Cleanenergyfuels.com.) The company owns and operates natural gas storage facilities and 2 LNG plants in the USA. The volumes Air Flow proposes to export under this authorization are not currently dedicated to serving any of Clean Energy' distribution customers.

[7] As discussed further below, Air Flow respectfully requests that the authorization issued in this docket not be limited to one particular U.S. port, but any existing or future U.S. port capable of loading ISO container[8] 10 C.F.R. § 590.202(b) requests certain information, "to the extent applicable," and "supported to the extent practicable by necessary data or documents, "regarding the source and security of the natural gas supply proposed.

sector and the vehicle fuel markets, all of which are evaluating switching from burning other fossil fuels and petroleum products to cleaner burning natural gas.

Although AIR FLOW will serve as the offtaker, exporter, and transporter of LNG sourced from Clean Energy, AIR FLOW has had discussions with other U.S. suppliers that may desire to export LNG under AIR FLOW's authorization, and plans to supplement this Application to the extent additional volumes of LNG are committed for export. AIR FLOW will file all long-term contracts with DOE under seal, and provide public versions of these contracts for posting, following their execution.

Receipt of this authorization by AIR FLOW will allow the U.S. to supply its trading partners in South America, Central America, the Caribbean or Africa with an additional clean source of fuel, and is a key step in facilitating the market connections between the U.S. sellers with non-FTA LNG customers. For this reason and as required by statute, DOE should grant this authorization without modification or delay.

IV

AUTHORIZATION REQUESTED

In this application, AIR FLOW requests long-term, multi-contract authorization to export up to a total of 22,000 gallons per day domestically produced LNG (equivalent to approximately 0.67 billion standard cubic feet of gas ("bscf") per year) for a period of twenty-five years, beginning the earlier of the date of first export, or the fifth anniversary of the date authorization is granted by DOE/FE. AIR FLOW requests that such long-term authorization provide or export from the Atlantic coast to the Gulf Coast, including Texas and Florida, to any country located within South America, Central America or the Caribbean or Africa that has, or in the future will have, the capacity to import LNG via ocean-going carrier (by use of approved ISO IMO7/TVAC-ASME LNG containers transported on ocean-going carriers), and with which trade is not prohibited by United States law or policy.

With this second application, AIRFLOW requests approval of exports to non-FTA countries of LNG purchased under the purchase and sale agreement described in the Letter of Intent included as Appendix [A] to this application ("LOI"). The LOI describes the term of the proposed arrangement, the counter-party, the maximum yearly gas volumes of approximately [0.67 billion standard cubic feet of gas ("bscf") per year] to be purchased, and the facility from which the LNG will be delivered (the "Facility"), as well as a commitment from the counter-party that no Facility modifications or additions to the Facility will be required in order for the facility to deliver LNG to AIRFLOW and for AIRFLOW to export LNG from the United States under the arrangement described in the LOI. AIRFLOW will file the Master Agreement and any Transaction Confirmations, as defined in the LOI, with the DOE/FE under seal following their execution. DOE/FE has previously found that this commitment conforms to the requirements of 10 C.F.R. § 590.202(b), which calls upon applicants to supply transaction-specific information “to the extent practicable.”[8] AIRFLOW expects to begin exporting LNG under such Master Agreement and Transaction Confirmations by the second quarter of 2015.

Appendix [B] of this Application includes a listing of the ports from which LNG will be exported under the arrangement described in the LOI, as well as the state permits and requirements that will need to be acquired for transportation of the LNG from the Facility to the applicable ports (“Required Permits”). AIRFLOW will take delivery of LNG at the facility and will transport the LNG within the United States over highways, using approved 40-feet ISO IMO7/TVAC-ASME LNG containers. AIR FLOW buys its 40’ LNG cryogenic iso containers from Chart Industry, an American tank manufacturer. These containers comply with all United States Department of Transportation regulations; AIR FLOW will utilize companies specialized in delivering LNG to U.S. ports via trucks carrying iso containers, such as Genox Transportation, a Laporte, TX, based company, that has the expertise and knowledge in cryogenic gas transportation and regulation . All the third parties with which AIRFLOW will be contracting to handle transportation will comply with all Required Permits, including but not limited to any federal, state and local permits relating to hazardous material and cryogenic handling regulations and requirements. All ISO containers will be tracked from the time of loading until delivery at the export terminal by use of a proprietary GPS tracking system. The decision of which ports will be used for export from among those listed in Appendix [B] will be based on the final LNG destination.

AIRFLOW expects deliveries from the Facility to take place throughout the year on a daily basis, spaced roughly equally, such that deliveries in any one day would not vary extremely from others. Physical limitations at the Facility ensure that will be the case; currently, no more than 120,000 gallons of LNG can be loaded from the facility per day. Each container AIRFLOW plans to use for LNG transport has a capacity of 11,000 gallons. Truck traffic from the facility under this arrangement therefore will be limited to no more than 2 trucks per day, or less than one truck every 4 hour over a twelve-hour period.

As AIRFLOW enters into LOIs with additional suppliers, AIRFLOW will submit to DOE/FE additional applications requesting non-FTA export approval. Each such request will include (i) a copy of the new LOI, which will include relevant transaction information, such as transaction term, volume of gas to be purchased under the transaction, the liquefaction facility from which such LNG will be acquired, and commitment from the facility owner that no new construction or modifications to such facility will be necessary for the export of LNG supplied from such facility by AIRFLOW; (ii) a listing of ports from which such LNG will be exported; and (iii) a listing of any additional Required Permits that will be required to transport the LNG from the applicable facility to the applicable ports under the new LOI(s).

Air Flow does not expect the total amount of LNG exported under all of the authorizations it receives, including the FTA authorization granted by the DOE/FE in Docket No. 14-53-LNG, to exceed 39,123 gallons of LNG per day or approximately 1.2 bscf of natural gas per year in total.

The source of natural gas supply to be exported by AIRFLOW will be the robust and liquid United States natural gas market. Specifically, AIRFLOW will be purchasing LNG under a long-term purchase agreement with the supplier listed in the LOI, which has, and expects to continue to have, an

[8] 10 C.F.R. § 590.202(b) requests certain information, “to the extent applicable,” and “supported to the extent practicable by necessary data or documents, “regarding the source and security of the natural gas supply proposed.

excess supply of LNG that it is unable to effectively market within the United States, due primarily to the relative low natural gas prices in this country.

V.

PUBLIC INTEREST

Section 3(a) of the NGA creates a rebuttable presumption that an application for export of LNG is in the public interest, and the DOE/FE will grant such application unless the presumption of public interest is overcome by an applicant's opponents.[9] When evaluating applications for natural gas exports, the DOE/FE seeks to "minimize federal control and involvement in energy markets and promote a balanced and mixed energy resource system."[10] The focus of the DOE/FE's public interest evaluation is on the domestic need for the LNG proposed to be exported.[11] In addition, the DOE/FE considers any threat to the security of domestic natural gas supplies potentially created by the proposed export, as well as "any other issue determined to be appropriate, including whether the arrangement is consistent with DOE's policy of promoting competition in the marketplace by allowing commercial parties to freely negotiate their own trade arrangements,"[12] and environmental effects of the proposed export.[13]

AIR FLOW is seeking to export relatively small volumes of LNG, particularly when compared to export applications recently approved and pending before the DOE/FE. The maximum total volume of natural gas AIR FLOW expects to export in any year to both FTA and non-FTA countries is over [670 times] less than the export authority sought by, and conditionally granted to, Sabine Pass Liquefaction, LLC ("Sabine") in orders issued by the DOE/FE in September 2010 and May 2011;[14] the export authority AIR FLOW is seeking in this Application is even smaller fraction of that total. Export of such smaller volumes of LNG has become economically and technically feasible in recent years due to the combined factors of increased domestic supply of natural gas and the development of approved containers allowing the safe and effective transport of smaller volumes of LNG than has previously been practical. This change allows AIR FLOW to take advantage of excess natural gas supply in the United States and use that supply to fill a need of customers in Central America, South America, the Caribbean and Africa, countries with customers that lack the infrastructure and the demand to justify tanker loads of LNG, which represent much larger volumes of LNG. Because export of these smaller volumes of natural gas will not have a significant impact on domestic supply, and will fulfill a need that is not otherwise being met in the marketplace – both domestically and abroad, the granting of this Application is consistent with the public interest.

A. Domestic Need for Natural Gas to be Exported

United States consumers currently have access to substantial quantities of natural gas as of result of, among other things, technological advances that have allowed for development of previously

---

[9] 15 USC 717b(a) ; Sabine Order at 28
[10] *Id*
[11] Sabine Order at 29 ; DOE Delegation Order No. 0204-111
[12] Sabine Order at 29
[13] Sabine Order at 29, *citing* National Environmental Policy Act,
[14] Sabine Order at 42 (authorizing Sabine Pass to export domestically-produced LNG up the equivalent of 803 Bcf per year of natural gas).

undeveloped reserves of domestic shale gas.[15] The Annual Energy Outlook 2010, prepared by the U.S Energy Information Administration ("EIA"), forecasted shale gas production to increase to 2.85 Tcf by 2015 and 6.0 Tcf by 2035, representing 5.3% annual growth from 2008-2035.[16] EIA's Annual Energy Outlook 2011 more than doubled its estimate of technically recoverable shale gas reserves, and doubled its projected shale gas production to 12.0 Tcf by 2035.[17] Large volumes of domestic shale gas reserves and its development and extraction, as well as continued low production costs, will enable the United States to develop significant quantities of natural gas and LNG, which will be able to meet domestic demand for decades to come, and, as a result, also will provide an over-capacity of natural gas and LNG that would be available for export. The decrease in natural gas prices from 2008 to 2010 provides evidence of such over-capacity.[18] Additionally, as the DOE/FE has pointed out in recent Orders approving export applications, the ability to export natural gas as LNG could expand the market for domestic natural gas producers and thus, encourage domestic production when low domestic gas prices otherwise might not do so.[19] As noted by the DOE/FE in the Sabine Order, "natural gas production associated with exports …will result in increased production that could be used for domestic requirements, if market conditions warrant such use."[20]

Even considering the cumulative impact of recent authorizations granted by or pending before the DOE/FE and the authorization requested in this Application, the small volumes of LNG that AIR FLOW is requesting to export would not have significant impact on domestic natural gas supply. As noted above, the maximum volume AIR FLOW would expect to export in any year is significantly less than the expected exports of recent applicants – approximately [0.15%] of the expected annual exports of Sabine - and a very tiny percentage of the domestic natural gas market. The volume AIR FLOW seeks authority to export under this Application is even smaller.[21] Nevertheless, although a minimal amount, this is an important amount of gas that would benefit the small countries who do not have other access to a natural gas supply and thus are seeking to import this type of gas supply, because they do not have sufficient demand to justify shipment of a large LNG tanker. Further, this quantity is not sufficient to have an adverse impact on domestic supply when compared to the United States natural gas market as a whole.

Applicants are aware of the potential for this market to change, as recently noted by the DOE/FE, as a result of ongoing review activities by the DOE and other federal agencies into the environmental and safety consequences of shale gas production.[22] There is a little chance that such a change would result in the small export volumes requested under this Application having a significant impact on domestic supply

[15] U.S. ENERGY INFORMATION ADMINISTRATION, ANNUAL ENERGY OUTLOOK 2011, Executive Summary (2011), *available at* http://www.eia.gov/forecasts/aeo/pdf/0383(2011).pdf. ("2011 EIA Energy Outlook").
[16] U.S. ENERGY INFORMATION ADMINISTRATION, ANNUAL ENERGY OUTLOOK 2010, Executive Summary (2010), *available at* http://www.eia.doe.gov/oiaf/aeo/pdf/0383(2010).pdf.
[17] 2011 EIA Energy Outlook at Table 8.
[18] *See, e.g., id.* at Figure 39
[19] *See,* Sabine Order at 35
[20] *Id*
[21] By way of comparison, Sabine sought, and was conditionally granted, authorization to export up to 2.2 bscf per *day*. Under this Application, AIR FLOW is seeking authorization to export up to 0.67 billion standard cubic feet of gas "bscf" per *year*.
[22] Sabine Order at 31-32

of natural gas , however. In the unlikely event that such a circumstance were to occur during the term of the authorization sought herein, the DOE/FE has determined that it is authorized to take such action as it may find necessary or appropriate to address the effect of such a change and protect the public interest.[23] Because the requested exports will have minimal effect on domestic natural gas supply based on current projections and the DOE/FE has retained the ability to address changes in the domestic gas supply, if, in the future, there are unexpected changed circumstances, granting this Application for the requested term is consistent with the public interest.

B. Domestic Energy Security and International Impacts

As noted above, the relatively small volumes AIR FLOW proposes to export will have little effect on domestic natural gas supply and minimal effect, if any, on domestic energy security. AIR FLOW's purchases from its supplier will be primarily excess supply that cannot be marketed economically in the domestic market, due, in part, to the relatively low natural gas prices in this country. By allowing AIR FLOW to purchase this excess supply for export overseas, DOE/FE's approval of this Application will benefit this domestic company and have little if any effect on domestic energy security, as such supply is in excess of current domestic demand.

From an international perspective, the exports will benefit the United States by supporting the use of generation fueled by natural gas rather than more environmentally damaging diesel or heavy fuel oil commonly used by its close South American, Central American and Caribbean neighbors.[24] By and large, these countries do not have a domestic supply of natural gas and do not have the necessary infrastructure for the exploration, production or transportation of natural gas. Most of these countries do not have an independent supply of LNG or liquefaction facilities that would serve a natural gas or LNG market. Further, many of these countries do not have customers that have a natural gas demand that would support the typical LNG tanker imports. By focusing on this small customer market, AIR FLOW is fulfilling a clear need for such countries looking to diversify their fuel supplies. Providing customers in these countries with natural gas/LNG from the United States would relieve their countries' reliance on diesel or fuel oil and thus reduce the negative environmental impact of their generation fuel. In addition, a supply of clean generation furl from the United States to these countries would improve our country's trade balance, and would support President Obama's National Export Initiative signed in 2010.[25] In sum, as acknowledged by the DOE/FE in the Sabine order, an improvement in natural gas supplies internationally will help countries such as those to which AIR FLOW will be exporting LNG that currently have limited sources of natural gas supplies to broaden and diversify their supply base, thereby "contributing to greater overall transparency, efficiency, and liquidity of international natural gas markets."[26]

Further, unlike very large suppliers of LNG, AIR FLOW would be marketing directly to smaller customers. As such, AIR FLOW may be able to contract directly with local utilities, industrial

---

[23] *Id.* At n.45.

[24] *See* Meeting the Electricity Supply/Demand Balance in Latin America and the Caribbean, Rigoberto Ariel Yepez-Garcia, Todd M. Johnson, and Luis Alberto Andrés, The World Bank (September 2010), available at: http://www.esmap.org/esmap/sites/esmap.org/files/REPORT%20LAC%20Electricity%20Challenge%20octubre%202010%20LESMAP%20FINAL.pdf

[25] Exec. Order No. 13534, 75 Fed. Reg. 12433 (March 11, 2010)

[26] Sabine Order at 37.

and commercial customers in such countries that would require smaller quantities of LNG and would not otherwise be served by very large suppliers of LNG. It also would enable to stabilize power production in those countries, by providing generators with access to fuel that would serve as a feedstock for generation facilities that would be used for power generation and for stand-by power generation.

C. Other Public Benefits of the Requested Authorization

Having the authority and the opportunity to market LNG abroad will enable AIR FLOW to foster the development of a domestic natural gas and natural gas by-product market. Developing a robust LNG export market will encourage the development of a market in natural gas liquids such as ethane, propane and condensates that can be substituted for petroleum products made from imported oil, thereby encouraging the development of new, additional productive resources in the United States. In fact, the export of natural gas produced in the United States will help to promote new international markets for natural gas , thereby encouraging the development of new, additional productive resources in the United States. These developments may help decouple international natural gas prices and oil prices in some markets and may exert downward pressure on natural gas market prices in those markets.

In addition, AIR FLOW expects that its export of domestic LNG will encourage the development of jobs in the United States. Qualified domestic transportation companies will be used to transport the LNG from each Facility to port, thereby supporting those businesses. As a growing company, AIR FLOW will also be creating jobs as its marketing and sale of LNG to new markets increases its need for additional sales and administrative staff.

VI.

ENVIRONMENTAL IMPACT

As stated above, no new facilities nor modifications to any existing facilities would be required in order for AIR FLOW to export LNG. In the limited cases in which the owners of liquefaction facilities that sell and deliver LNG to AIR FLOW opt to make minor modifications to their facilities to either accommodate the slight additional volume of LNG resulting from such deliveries, or to account for the temperature requirements of LNG versus other liquefied petroleum products, those owners of liquefaction facilities will obtain the necessary state, local or federal permits before any such modifications or deliveries occur.

Approval of this Application therefore would not constitute a federal action significantly affecting the human environment within the meaning of the National Environmental Policy Act.[27]

[27] 42 U.S.C. 4321 (2010), *et seq.*; Categorical Exclusion B5.7, 10 C.F.R. Part 1021, Subpart D, Appendix B.

VII . APPENDIXES

The following exihibits are submitted as part of this application:

Appendix A: Letter of Intent
Appendix B : List of required permits and ports of export
Appendix C: Verification
Appendix D : Letter of Council

VII.

CONCLUSION

WHEREFORE, for the reasons stated above, AIR FLOW respectfully requests that DOE/FE grant the long-term multi-contract export authorization requested herein.

Dated:

November 3rd 2014

Respectfully submitted,

Air Flow North America Corp.

By: Pierre FIAT - CEO

APPENDIX A

LETTER OF INTENT

- Term of the Proposed Arrangement

  The Agreement is entered into on September 6th, 2013 (the “Effective Date”) by and between Clean Energy, a California corporation (hereinafter referred to as “Clean Energy”) located at 4675 MacArthur Court, Suite 800, Newport Beach, California 92660 and Air Flow North America (hereinafter referred to as “Buyer”), located at 8665 New Trails Drive, Suite 100, The Woodlands, Texas 77381 and relates to the sale and purchase of Liquefied Natural Gas (hereinafter known as “LNG” or “Product”). Clean Energy and Buyer sometimes referred to in this Agreement individually as a “Party” or jointly as “Parties”.

  This Agreement and the terms and conditions contained herein, shall be in effect until the seven (7) year anniversary of the Effective Date of this Agreement (“Initial Term”). Thereafter this Agreement shall automatically renew, under the same terms and conditions, for periods of twelve (12) months each (each an “Extension Period”) unless Clean Energy or Buyer gives notice of termination to the other party at least thirty (30) days prior to such renewal date. The Initial Term plus any Extension Periods are referred to hereinafter as the “Term”.

- The Counter-Party

  Clean Energy is a California-based energy services holding company with operations in natural gas distribution, retail, wholesale, and midstream operations. Clean Energy is the largest provider of natural gas fuel for transportation in North America, fueling over 30,000 vehicles each day at approximately 400+ fueling stations throughout the United States and Canada. With a broad customer base in a variety of markets, including trucking, airport shuttles, taxis, refuse, and public transit, they build and operate compressed natural gas (CNG) and liquefied natural gas (LNG) fueling stations; manufacture CNG and LNG equipment and technologies for themselves and other companies; and develop renewable natural gas (RNG) production facilities (source www. Cleanenergyfuels.com .) The company owns and operates natural gas storage facilities and 2 LNG plants in the USA.

- The maximum yearly gas volumes to be purchased

  A “full” delivery of Product delivered to Buyer’s cryogenic trailer at the Pickens Plant shall be approximately [11,000] LNG gallons. Clean Energy shall not be obligated to load less than a full delivery of Products unless requested by Buyer and agreed to by Clean Energy in writing in advance. Clean Energy shall load Product based on times scheduled and agreed to in advance with Buyer.

- The facility from which the LNG will be delivered (the “Facility”)

Clean Energy shall sell Product to Buyer and Buyer shall buy Product from Clean Energy at Clean Energy's Pickens Plant, FOB Pickens Plant, 12114 Longstreet Road, Willis, TX 77318 on an available basis

- Commitment from the counter-party that no Facility modifications or additions to the Facility will be required in order for the Facility to deliver LNG to Airflow and for Airflow to export LNG from the United States under the arrangement described in the LOI

LISTING OF REQUIRED PERMITS AND
PORTS OF EXPORT

Required Permits :

- Texas Hazardous Material Permit will be obtained from the Texas Department of Public Safety by the company transporting the LNG from the facility through the state of Texas.

- Drivers of the vehicles transporting the LNG will have Hazardous Materials Endorsement on their commercial drivers licenses, allowing them to transport Hazardous Materials through the states of Texas, [Florida, and Louisiana] as applicable. Drivers will also be approved by the Department of Transportation for cryogenic cargos.

- ISO containers meet U.S. Department of Transportation requirements for transportation of LNG

Ports of Export :

- Houston, TX
- Jacksonville, FL
- Miami, FL
- New Orleans, LA

FIRST AMENDMENT
TO THE LIQUEFIED NATURAL GAS PRODUCT AGREEMENT

This First Amendment ("**First Amendment**") to that certain LIQUEFIED NATURAL GAS PRODUCT AGREEMENT by and between Air Flow North America("**Buyer**") and Clean Energy, a California corporation ("**CE**"), dated as of September 6th, 2013, (as further amended, modified or supplemented from time to time, the "**Agreement**") is made and executed, by and between Buyer and CE, to be effective as of the 14, day of July 2014 ("**First Amendment Effective Date**").

Buyer and CE are, from time to time, referred to herein collectively as the "**Parties**". Capitalized terms used, but not defined herein shall have the meaning ascribed to such term in the Agreement.

RECITALS

WHEREAS, the Parties entered into the Agreement; and

WHEREAS, the Parties wish to amend the Agreement on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations of the Parties herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

AMENDMENT

1. Amendment to Preamble. The preamble is hereby amended by deleting the reference to the street address of "3020 Old Ranch Parkway, Suite 400, Seal Beach, California 90740" and replacing it with the following:

"4675 MacArthur Court, Suite 800, Newport Beach, California 92660"

2. Amendment to Section 1. Term. Section 1is hereby amended by deleting this section in its entirety and replacing it with the following:

"This Agreement and the terms and conditions contained herein, shall be in effect until the seven (7) year anniversary of the Effective Date of this Agreement ("Initial Term"). Thereafter, this Agreement shall automatically renew, under the same terms and conditions, for consecutive periods of twelve (12) months each (each an "Extension Period"), unless Clean Energy or Buyer gives notice of termination to the other Party at least thirty (30) days prior to such renewal date. The Initial Term plus any Extension Periods are referred to hereinafter as the "Term"."

3. Amendment to Section 15. Section 15 of the Agreement is hereby amended by deleting the contact information at the end of the section and replacing it with the following:

"Clean Energy
4675 MacArthur Court
Suite 800
Newport Beach, CA 92660

vS

Attn: Ms. Barbara Johnson
Email: bjohnson@cleanenergyfuels.com
Fax: (949) 724-1568"

4. Amendment to Section 16(a). Section 16(a) of the Agreement is hereby amended by deleting the Clean Energy contact information and replacing it with the following:

"James N. Harger
Clean Energy
4675 MacArthur Court
Suite 800
Newport Beach, CA 92660
Telephone: (949) 437-1000
Facsimile: (949) 724-1397"

5. Amendment to Section 16(b). Section 16(b) of the Agreement is hereby amended by deleting the Clean Energy contact information and replacing it with the following:

"Clean Energy
4675 MacArthur Court
Suite 800
Newport Beach, CA 92660
Attention: James N. Harger
Facsimile: (949) 724-1397

With copies to:

Clean Energy
4675 MacArthur Court
Suite 800
Newport Beach, CA 92660
Attention: Mitchell W. Pratt
Facsimile: (949) 724-1457

Clean Energy
4675 MacArthur Court
Suite 800
Newport Beach, CA 92660
Attention: J. Nathan Jensen
Facsimile: (949) 724-1361"

6. Terms and Conditions of the Agreement. Other than as expressly set forth in this First Amendment, all of the terms and conditions of the Agreement shall remain in full force and effect and shall apply to this First Amendment; provided that to the extent there is a conflict between the terms of this First Amendment and the terms of the Agreement, the terms of this First Amendment shall control to the extent of such conflict.

LF

7. Governing Law. This First Amendment shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of California, not including choice of law rules and principles.

8. Counterparts. This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed an original, and all of which taken together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile shall be equally as effective as delivery of a manually executed counterpart. Any Party hereto delivering an executed counterpart of this Agreement by facsimile shall also deliver a manually executed counterpart, but the failure to do so shall not affect the validity, enforceability or binding effect of the counterpart executed and delivered by facsimile.

9. No Other Amendment. Except as expressly amended hereby, the terms and provisions of the Agreement remain in full force and effect, and are ratified and confirmed by the Parties in all respects as of the First Amendment Effective Date.

ff

[Signature Page(s) to Follow.]

IN WITNESS WHEREOF, the Parties have caused this First Amendment to be signed as of the First Amendment Effective Date.

CLEAN ENERGY		**BUYER**	
By:		By:	
Name:	James N. Harger	Name:	Pierre Fiat
Title:	Chief Marketing Officer	Title:	Chief Executive Officer

PEARL COHEN
Pearl Cohen Zedek Latzer Baratz LLP
Francine Alfandary, Partner | FAlfandary@PearlCohen.com | 646-878-0838

December 1, 2014

United States of America
Department of Energy
Office of Fossil Energy

Re: Air Flow North America Corp.

Ladies and Gentlemen:

This firm is counsel to Air Flow North America, Inc, a Delaware corporation (the "Applicant"). We have reviewed the following documents remitted to us for purposes of this letter (collectively, the "Documents"):

1. Organizational Documents

1.1 Certificate of Incorporation, executed on March 8, 2013, and filed with the Delaware Secretary of State on March 13, 2013;

1.2 By-laws, as adopted by the Board of Directors as of March 8, 2013;

1.3 Organizational consent of the Board, dated as of March 8, 2013

2. Department of Energy Document

2.1 Application for Long-Term Authorization to Export Liquified Natural Gas to Non-Free Trade Agreement Countries;

2.2 Letter of Intent between the Applicant and Clean Energy, a California corporation dated as of September 6, 2013;

2.2 First Amendment, dated November 3, 2014, to Liquefied Natural Gas Product Agreement dated as of September 6, 2013, between the Applicant and Clean Energy.

This letter is delivered to you pursuant to 10 C.F.R. § 590.202(c), Administrative Procedures with Respect to the Import and Export of Natural Gas, Subpart B, Applications for Authorization to Import or Export Natural Gas.

In conducting our review, we have assumed the legal capacity of all natural persons, the genuineness of all signatures thereon, and the conformity to original documents submitted to us as copies. Based solely on our review of the Applicant's Organizational Documents, it is our opinion that the Applicant's proposed export of natural gas, as described in the Application, is within the corporate powers of the Company.

Respectfully submitted,

Francine L. Alfandary
Pearl Cohen Zedek Latzer Baratz LLP
1500 Broadway, 12th floor
New York, NY 10036

VERIFICATION

AND

CERTIFIED STATEMENT

I, Pierre FIAT, being duly sworn on this oath, do hereby affirm that I am the president of Air Flow North America Corp; that I am familiar with the contents of this application; and that matters set forth therein are true and correct to the best of my knowledge, information and belief.

Pierre FIAT,

President, Air Flow North America

Sworn to and subscribed before me, a Notary Public, in and for the State of Texas, this 13th day of November 2014.

Public Notary.

13, NOV. 2014

CHERRIE LYNN SMITH
Notary Public, State of Texas
My Commission Expires
June 17, 2018