



October 26, 2015

Office of Fossil Energy [FE-34] U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, D.C. 20585

RE:

Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC, FLNG Liquefaction 2, LLC; and FLNG Liquefaction 2, LLC; and

FLNG Liquefaction 3, LLC

FE Docket Nos. 10-160-LNG; 10-161-LNG; 11-160-LNG and 12-06-LNG

REGISTRATION PURSUANT TO DOE/FE ORDER NOS. 2913, 3282-C, 3066, 3357-B

I serve as Associate Counsel of Freeport LNG Expansion, L.P., which indirectly owns FLNG Liquefaction, LLC, FLNG Liquefaction 2, LLC and FLNG Liquefaction 3, LLC (collectively, "FLEX"). On February 10, 2011, DOE/FE issued Order No. 2913 granting approval of the long-term authorization to export liquefied natural gas ("LNG") from the Freeport LNG terminal to free trade nations. That Order also authorized FLEX to export LNG as an agent for others and required such customers of FLEX to register with the DOE. Ordering Paragraphs D and G of Order No. 2913 require that certain long-term commercial agreements must be filed with the DOE/FE. Subsequent to the issuance of Order No. 2913, DOE/FE issued Order Nos. 3282-C, 3066 and 3357, each of which contains the same registration and filing requirements as Order No. 2913 (see Ordering Paragraphs D and F of Order No. 3066 and Ordering Paragraphs I and K of Order No. 3282-C and 3357-B) (collectively, the "FLEX Export Authorizations").

On September 30, 2015, FLEXESS, LLC (an affiliate of FLEX) entered into a long-term commercial agreement with The Kansai Electric Power Co., Inc. ("Kansai") to provide the services contemplated by the FLEX Export Authorizations, including acting as agent for authorized LNG exports. Pursuant to the requirements of the FLEX Export Authorizations, FLEX is hereby filing the required customer registration for Kansai, and, contemporaneously with this letter agreement, is filing the required documentation related to the aforementioned long-term commercial agreement.

Please find attached as <u>Exhibit I</u> the registration of Kansai under the authorization of and pursuant to the requirements of the FLEX Export Authorizations. We respectfully request that the customer registration for Kansai be acknowledged by DOE/FE by a letter similar in form and substance to the acknowledgment letter dated February 12, 2014, a copy of which is attached as <u>Exhibit II</u>.

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Please contact me if you have any questions.

Respectfully submitted,

Matthew Salo

Associate Counsel

Freeport LNG Expansion, L.P.

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Exhibit I

Customer Registration

FORM OF DOE REGISTRATION AUTHORIZATION

30th September, 2015

FLEXESS, LLC Attn: President 333 Clay Street, Suite 5050 Houston, TX 77002

RE: Registration under Seller Export Authorizations - DOE/FE Order Nos. 2913, 3066, 3357, 3282,

3282-C and 3357-B

Dear Sir:

Pursuant to Section 11.3 of that certain FOB Master LNG Sale and Purchase Agreement, dated as of 30th September 2015 (the "<u>SPA</u>") by and between The Kansai Electric Power Co., Inc. ("Buyer") and FLEXESS, LLC ("<u>FLNG</u>"), Buyer hereby authorizes FLNG to submit to the DOE the following information for the purposes of registering Buyer with the DOE as a Person on whose behalf FLNG or its applicable Affiliate has the right to export pursuant to the Seller Export Authorizations issued on February 10, 2011 (DOE/ FE Order No. 2913), February 10, 2012 (DOE/ FE Order No. 3066), May 17, 2013 (DOE/ FE Order No. 3282), November 15, 2013 (DOE/ FE Order No. 3357), and November 14, 2014 (DOE/FE Order Nos. 3282-C and 3357-B). All capitalized terms used but not defined herein shall have the meanings ascribed to them in the SPA.

- 1. <u>Buyer Information</u>. Pursuant to the requirements of said Seller Export Authorizations, Buyer provides the information below, which is current and accurate as of the date of this letter:
 - a. Buyer's exact legal name is The Kansai Electric Power Co., Inc., a Japanese corporation with its principal office at 6-16, 3-Chome, Nakanoshima, Kitaku, Osaka, 530-8270, Japan.
 - b. any inquiries may be directed to the following corporate officer or employee of Buyer:

Name/Title : Yasuhiko Murata / Manager

Address: 6-16, 3-Chome, Nakanoshima, Kitaku, Osaka, 530-8270, Japan.

E-mail Address: murata.yasuhiko@a3.kepco.co.jp

Telephone : +81-6-7501-0282

Fax : +81-6-6441-0283

2. Buyer Contracts.

- a. Buyer hereby provides to FLNG copies, attached hereto as <u>Attachment A</u>, of the following contracts Buyer has executed as of the date hereof:
 - i. any long-term contracts, including processing agreements, that result in the export of natural gas pursuant to any Seller Export Authorization, including LNG; and
 - ii. any long-term contracts associated with the long-term supply of natural gas to the Freeport Facility with the intent to process this natural gas into LNG for export pursuant to any Seller Export Authorization referenced above.

- b. Buyer hereby agrees to file with the DOE, or provide to FLNG, no later than five (5) Business Days prior to the relevant DOE deadline, a copy (which if provided to FLNG will be filed by FLNG with the DOE), of any contract meeting either of the descriptions set forth in Paragraph 2(a), above.
- 3. <u>Updates</u>. Buyer hereby agrees to notify DOE directly, or provide FLNG with written notice and updated information no later than five (5) Business Days prior to the relevant DOE deadline, with respect to any of the items listed below:
 - a. a change in its company name;
 - b. a change in its contact information;
 - c. a change in the term of any long-term contract described in Paragraph 2 above;
 - d. the termination of any long-term contract described in Paragraph 2 above; and
 - e. any other relevant modification to any of the contracts described or information provided in this letter.

If Buyer chooses to notify the DOE directly with respect to the above-listed items, Buyer agrees to provide FLNG with a copy of the notice sent to the DOE.

4. Compliance with Export Authorizations and Regulations. Buyer hereby acknowledges and agrees to provide all information necessary to permit FLNG to register Buyer with the DOE as required by the Seller Export Authorizations referenced above. Buyer further acknowledges and agrees to comply with such Seller Export Authorizations (as informed by Seller to Buyer) and all applicable requirements of the DOE's regulations at 10 CFR Part 590, including but not limited to the destination restrictions set forth in such Seller Export Authorizations. Buyer agrees to sell or transfer LNG exported pursuant to the Seller Export Authorizations referenced above only to entities that have agreed in writing to the destination restrictions and reporting requirements set forth in such Seller Export Authorizations and have agreed to include such terms in all subsequent sales or transfers.

Very truly yours,

THE KANSAI ELECTRIC POWER CO., INC.

Name: Yoshihide Hirota Title: Executive Officer, Office of Fossil Fuel

Exhibit II

Acknowledgment Letter



Department of Energy

Washington, DC 20585

February 12, 2014

Mr. Les Lo Baugh Brownstein Hyatt Farber Schreck 2029 Century Park East, Suite 2100 Los Angeles, CA 90067-3007

RE: Registration of Chubu Electric Power Co., Inc. under FLEX Export Authorizations – Department of Energy, Office of Fossil Energy (DOE/FE) Order Nos. 2913, 3066, 3282, and 3357

Dear Mr. Lo Baugh,

In DOE/FE Order Nos. 2913 (issued February 10, 2011, FE Docket No. 10-160-LNG); 3066 (issued February 10, 2012, FE Docket No. 12-06-LNG); 3282 (issued May 17, 2013, FE Docket No. 10-161-LNG); and 3357 (issued November 15, 2013, FE Docket No. 11-161-LNG), DOE/FE detailed the registration process that would allow Freeport LNG Expansion, L.P.; FLNG Liquefaction, LLC; FLNG Liquefaction 2, LLC; and FLNG Liquefaction 3, LLC (collectively, FLEX) to use their joint authorizations to export LNG as agent for others.

By letter dated August 31, 2012, FLEX submitted the required documentation to register Chubu Electric Power Co., Inc. with DOE/FE, as set forth in the FLEX authorization in DOE/FE Order No. 2913. DOE/FE confirms herein that the FLEX affiliates holding this authorization are permitted to use it to export LNG as agent for Chubu Electric Power Co., Inc., pursuant to the Liquefaction Tolling Agreement between FLNG Liquefaction, LLC and Chubu Electric Power Co., Inc., dated July 31, 2012.

By letter dated January 2, 2014, FLEX submitted the required documentation to register Chubu Electric Power Co., Inc. with DOE/FE, as set forth in FLEX authorizations in DOE/FE Order Nos. 3066, 3282, and 3357. DOE/FE confirms herein that the FLEX affiliates holding

these authorizations are permitted to use them to export LNG as agent for Chubu Electric Power Co., Inc., pursuant to the Liquefaction Tolling Agreement between FLNG Liquefaction, LLC and Chubu Electric Power Co., Inc., dated July 31, 2012.

Sincerely,

John A. Anderson

Director, Division of Natural Gas Regulatory Activities

Office of Oil and Gas Global Security and Supply

Office of Oil and Natural Gas

Office of Fossil Energy