Public

Port Arthur LNG

August 25, 2026

Debbie-Anne A. Reese, Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, D.C. 20426

RE: **Port Arthur LNG North, LLC**
Docket No. PF26-_-000
Request to Initiate Pre-Filing Process for the Port Arthur LNG North Project

Dear Ms. Reese:

Pursuant to Section 3 of the Natural Gas Act ("NGA"), Port Arthur LNG North, LLC ("Port Arthur LNG North" or "Company") seeks to site, construct and operate an LNG export facility, consisting of four liquefaction trains with a total annual nominal liquefaction capacity under optimal conditions of approximately 27 million tonnes per annum ("MTPA") north of the previously certificated Port Arthur LNG Phase 1 (Docket No. CP17-20-000) and Port Arthur LNG Phase 2 (Docket No. CP20-55-000) Liquefaction Projects near Port Arthur, Texas ("Certificated Projects"). The proposed Port Arthur LNG North Project ("Project") will replicate the design of the existing Certificated Projects to the extent feasible.

Pursuant to Title 18 of the Code of Federal Regulations, Part 157.21 [18 CFR 157.21], Port Arthur LNG North respectfully requests that the Federal Energy Regulatory Commission ("Commission") initiate the Commission's National Environmental Policy Act ("NEPA") pre-filing review of the Port Arthur LNG North Project ("Project").

As such, and in accordance with the requirements of 18 CFR 157.21(d), Port Arthur LNG North hereby provides the Commission with the following information relating to the proposed Port Arthur LNG North Project.

(1) A description of the schedule desired for the project including the expected application filing date and the desired date for Commission approval.

Port Arthur LNG North proposes to file its formal application for the proposed Port Arthur LNG North Project pursuant to Section 3 of the NGA in July 2027, greater than ten months from the expected date of commencement of the pre-filing review process for the Project. In that application, Port Arthur LNG North will request that the Commission issue authorization for the siting, construction, and operation of the Port Arthur LNG North Project no later than July 2028. The Port Arthur LNG North Project anticipates requesting authorization to begin construction in

2H of 2029.

The anticipated key milestone dates for the Project are as follows:

- Submit Request to Initiate Pre-Filing Review Process – August 2026
- File Draft Resource Reports – No later than April 2027
- File NGA Section 3 Application – July 2027
- NEPA Document Issuance by the Commission – March 2028
- Issuance of Section 3 Authorization – July 2028
- Anticipated Commencement of Construction – 2H 2029
- Anticipated Project In-Service (Trains 5 – 8) - 2H 2034; 1H 2035; 2H 2035; 1H 2036

(2) For LNG terminal facilities, a description of the zoning and availability of the proposed site and marine facility location.

The Port Arthur LNG North Project facilities will be located on property owned by Port Arthur LNG Common Facilities Company, LLC and Port Arthur Land Company, LLC along Texas SH 87 south of Port Arthur, Texas, and north of Sabine Pass, Texas, on the western side of the Port Arthur Ship Channel and no additional land requirements are envisioned for the Project at this time. The site is within the jurisdiction of Jefferson County, Texas. There are no zoning ordinances in Jefferson County. Liquefaction facilities are an acceptable land use for the proposed Port Arthur LNG North Project site. The Port Arthur LNG North Project will attempt to utilize the previously Certificated Project's park and ride facilities and laydown yards where feasible.

(3) For natural gas facilities other than LNG terminal facilities and related jurisdictional natural gas facilities, an explanation of why the proposed applicant is requesting to use the pre-filing process under this section.

This requirement does not apply to the Port Arthur LNG North Project.

(4) A detailed description of the project, including location maps and plot plans to scale showing all major plant components, that will serve as the initial discussion point for stakeholder review.

The proposed Port Arthur LNG North Project site is approximately five miles south of the intersection of SH 87 and SH 82 near the City of Port Arthur, along the west side of the Port Arthur Ship Channel.

Natural gas will be delivered to the Port Arthur LNG North Project via the Texas Connector Pipeline authorized under Docket CP24-512-000. Once received at the Project, the natural gas will be liquefied and stored in full-containment storage tanks awaiting loading onto LNG carriers for export. The LNG carrier size is anticipated to be between 125,000-266,000 m3 with an anticipated 360 or more vessels per year upon final completion.

The following facilities will be constructed as part of the Port Arthur LNG North Project:

- Four liquefaction trains, each with its own feed gas pre-treatment facilities, capable under optimal conditions of producing 6.73 MTPA each;
- Three full-containment LNG tanks, each with a net working capacity of 160,000 cubic meters of LNG;
- A marine berth facility, including up to two LNG berths each with two loading arms and two hybrid arms;
- The capability of self-generation of electrical power required for the Project by utilizing natural gas combustion turbine generators.
- Associated utilities and infrastructure related to each liquefaction train.

A project location map showing the Port Arthur LNG North Project in relation to the Certificated Projects is provided as Attachment 1 and a preliminary layout showing the proposed facilities is provided as Attachment 2.

(5) A list of the relevant federal and state Agencies in the project area with permitting requirements. For LNG terminal facilities, the list shall identify the agency designated by the governor of the state in which the project will be located to consult with the Commission regarding state and local safety considerations. The filing shall include a statement indicating:

(i) That those agencies are aware of the prospective applicant's intention to use the pre-filing process (including contact names and telephone numbers);

(ii) Whether the agencies have agreed to participate in the process;

(iii) How the applicant has accounted for agency schedules for issuance of federal authorizations; and

(iv) When the applicant proposes to file with these agencies for their respective permits or other authorizations.

A listing of the federal and state agencies and the associated environmental permits, reviews, and consultations for the Port Arthur LNG North Project is provided as Attachment 3 along with an indication of their participation in the Pre-filing Review Process. The table also includes anticipated dates on which the Project plans to file respective permit applications. Representatives of the Project intend to have follow-up meetings with these agencies, as needed, to review the Project's permitting or consultation requirements and further discuss the Project's use of the Pre-Filing Review Process.

The Port Arthur LNG North Project expects to file applications for federal and most state authorizations prior to submitting their certificate application to the Commission, consistent with Order No. 687,[1] and the Project will work with Commission Staff and the affected federal and

[1] Regulations Implementing the Energy Policy Act of 2005; Coordinating the Processing of Federal Authorizations for Applications under Sections 3 and 7 of the Natural Gas Act and Maintaining a Complete Consolidated Record, 117 FERC ¶ 61,076 (2006) ("Order No. 687").

state agencies to develop a schedule for issuance of applicable environmental clearances and approvals. The Port Arthur LNG North Project anticipates that permits will be received from federal and state agencies approximately twelve months from the date the NGA Section 3 application for the proposed Project is filed with the Commission. Accordingly, the Project has accounted for agency schedules for issuance of federal authorizations.

(6) A list and description of the interest of other persons and organizations who have been contacted about the project (including contact names and telephone numbers).

A list of persons and organizations who have been or will be contacted about the Port Arthur LNG North Project is provided as Attachment 4.

(7) A description of what work has already been done, e.g., contacting stakeholders, agency consultations, project engineering, route planning, environmental and engineering contractor engagement, environmental surveys/studies, and open houses. This description shall also include the identification of the environmental and engineering firms and subcontractors under contract to develop the project.

The Port Arthur LNG North Project has contacted local stakeholders and regulatory agency staff about the Project. This process will continue as the Project and environmental review develops.

The Port Arthur LNG North Project will utilize the same liquefaction train design as Port Arthur LNG Phase 1 Project liquefaction facilities, therefore much of the initial engineering design is already complete. As such, the proposed location/layout of the proposed Port Arthur LNG North Project facilities has also been determined.

The Port Arthur LNG North Project has retained the services of the following environmental and engineering contractors and is currently initiating activities necessary to prepare the application and applicable resource reports:

- HDR – FERC Application and Environmental Permitting
- T. Baker Smith – USACE and Natural Resource Permitting
- WCM – TCEQ Air Permitting
- KSeas – USCG Consultation and Waterway Suitability Assessment
- Exponent – Hazard Analysis, and
- Wood – Engineering Support

These contractors along with others, whose services will be procured as needed, will be utilized to gather the needed information and/or support the preparation of the environmental resource reports.

(8) For LNG terminal projects, proposals for at least three prospective third-party contractors from which Commission staff may make a selection to assist in the requisite NEPA document.

The Port Arthur LNG North Project has solicited proposals for the consultation and coordination of the development of a NEPA document to be prepared under a third-party contractor arrangement

with Port Arthur LNG North Project as the Applicant and the Commission as the lead federal agency for the NEPA process.

Proposals have been received from three (3) prospective third-party contractors. Copies of these proposals are provided to FERC as Privileged and Confidential Information.

(9) For natural gas facilities other than LNG terminal facilities and related jurisdictional natural gas facilities, proposals for at least three prospective third-party contractors from which Commission staff may make a selection to assist in the preparation of the requisite NEPA document, or a proposal for the submission of an applicant prepared draft Environmental Assessment as determined during the initial consultation described in paragraph (c) of this section.

This requirement does not apply to the proposed Port Arthur LNG North Project.

(10) Acknowledgement that a complete Environmental Report and Complete Application are required at the time of filing.

The Port Arthur LNG North Project acknowledges that a complete Environmental Report and a complete application under Section 3 of the NGA are required and will be submitted to the Commission at the time of filing. The Port Arthur LNG North Project will respond to any requests for additional information from federal and state permitting agencies in a prudent and timely manner. All such information will be filed with the Commission, as required.

(11) A description of a Public Participation Plan which identifies specific tools and actions to facilitate stakeholder communications and public information, including a project website and a single point of contact. This plan shall also describe how the applicant intends to respond to requests for information from federal and state permitting agencies, including, if applicable, the governor's designated agency for consultation regarding state and local safety considerations with respect to LNG facilities.

The Port Arthur LNG Project is committed to meaningful stakeholder communications and effective public outreach in connection with the permitting of the proposed Project. The Port Arthur LNG North Project will conduct the following outreach activities:

- During the early part of the pre-filing process, the Port Arthur LNG North Project will hold one or more local open houses to provide information about the proposed Project to the public, as well as all interested state and federal agencies.
- The Port Arthur LNG North Project will identify and collaborate with appropriate stakeholders, including affected landowners.
- The Port Arthur LNG North Project will provide all required and if possible, requested support needed for the Commission to conduct one or more public scoping meetings.
- The Port Arthur LNG North Project will continue to identify and hold meetings with local associations, affected public groups, and other non-governmental organizations concerning the proposed Project.

- The Port Arthur LNG North Project will continue to meet with state and local government representatives to seek input, provide updates as the Project progresses, and extend an open invitation to all public meetings.
- The Port Arthur LNG North Project will continue to meet frequently with state and federal agencies for guidance during permitting and development of the environmental resource reports. The Port Arthur LNG North Project will respond diligently to requests for information from permitting agencies and the Commission and will meet in person, as necessary, to provide a more comprehensive response and understanding of the Project.
- The Port Arthur LNG North Project will establish a publicly available website providing pertinent information about the Project including such items as those listed below. The Project website will be available on August 26, 2026, and will have the following address: https://semprainfrastructure.com/what-we-do/lng/port-arthur-lng/ or https://portarthurlng.com/north/ and will include the following Project information:

    1. Description and related information
    2. Portal for public feedback
    3. Maps and/or images
    4. Status of Project
    5. Schedule
    6. Benefits associated with the Project
    7. Fact sheets
    8. Description of the purpose and need
    9. Contact information

A single point of contact has been established for matters related to the Project's Public Participation Plan. Contact information is provided below and included on the Project website.

Project hotline: (888) 429-5457
Email: info@portarthurlng.com

(12) Certification that a Letter of Intent and a Preliminary WSA have been submitted to the U.S. Coast Guard or, for modifications to an existing or approved LNG terminal, that the U. S. Coast Guard did not require such information.

On July 27, 2026, the Port Arthur LNG North Project submitted a Letter of Intent ("LOI") and a Preliminary Waterway Suitability Assessment ("PWSA") to the U.S. Coast Guard ("USCG"). As part of the LOI, the Project included a description of the Project facilities and intention to prepare a complete WSA as required by the USCG. A copy of correspondence to the USCG is provided as Attachments 5.1 and 5.2.

The Port Arthur LNG North Project looks forward to working with the Commission during the Pre-Filing Review Process. If additional information is required or questions arise, please do not hesitate to contact Jim Thompson at (832)284-5685 or via email at jdthompson@sempraglobal.com. Thank you for your assistance in this matter.

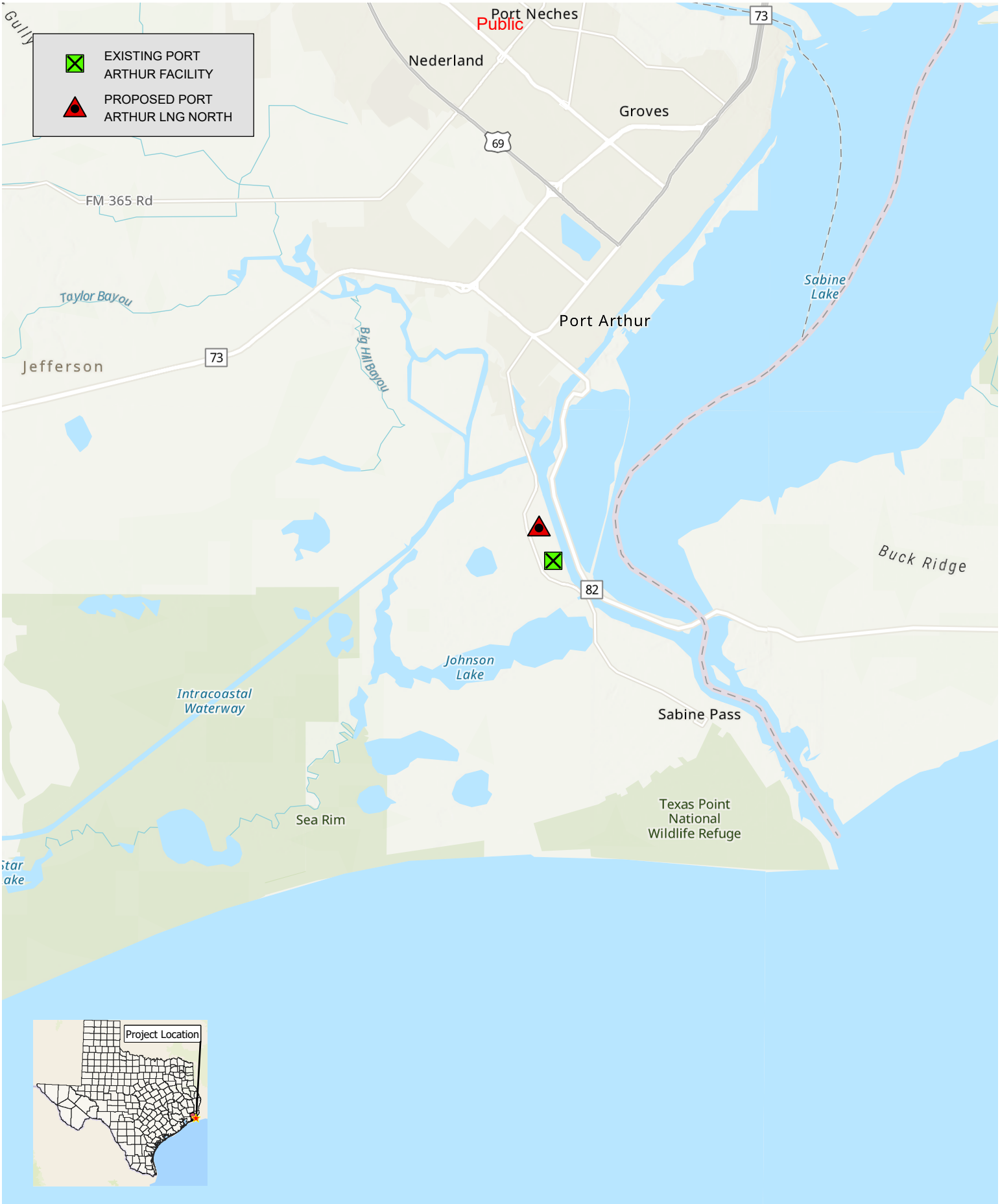
Respectfully submitted,

/s/Michael Taylor
Michael Taylor
Director, Permitting and Compliance
Port Arthur LNG North Project

cc: Jerrod Harrison
Arminda Malanche
Jim Thompson
Marshall Berg

ATTACHMENT 1

PROJECT LOCATION MAP

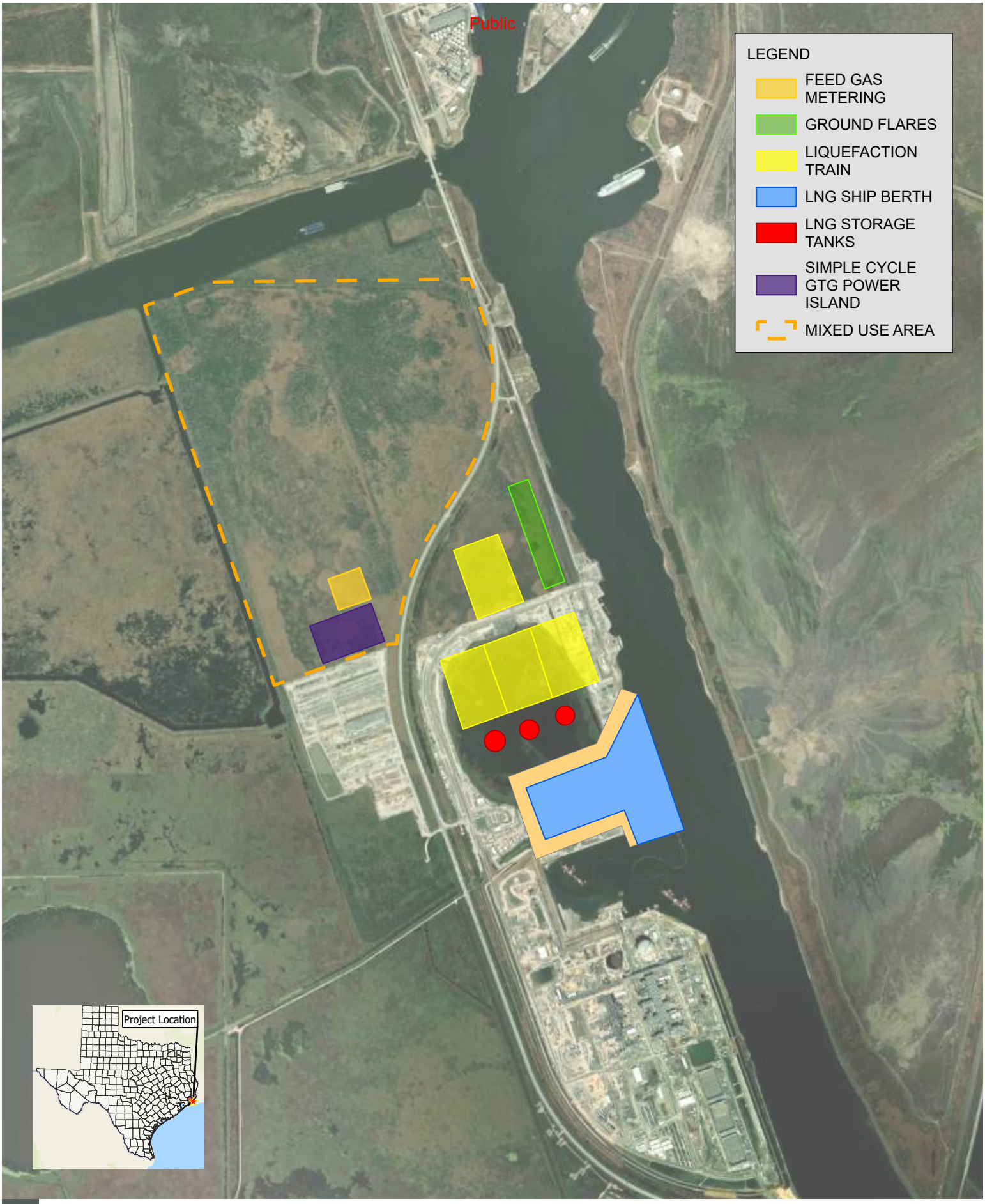


PORT ARTHUR LNG NORTH PROJECT
Project Location Map
ATTACHMENT 1

\\LAF-SRV01\PROJECTS\99_GIS PROJECTS\SEMPRA_PALNG_PH4_10465416\7.2_WIP\APRX\PALNG_PREFILE ATTACHMENTS.APRX DATE: 8/21/2026

ATTACHMENT 2

PRELIMINARY LAYOUT



SEMPRA INFRASTRUCTURE

0 0.4 mi

PORT ARTHUR LNG NORTH PROJECT
Preliminary Layout
ATTACHMENT 2

ATTACHMENT 3

PERMITS & APPROVALS

Agency	Permit & Authorization	Pre-File Participation?	Application Date *(anticipated)*
FEDERAL			
Federal Energy Regulatory Commission (FERC)	Certificate of Public Convenience and Necessity (CPCN) **Docket No. CP27-xx-xxx**	-	*(July 2027)*
U.S. Department of Energy (DOE)	FTA Authorization to Export – (Free Trade Agreement Countries) Order No. xxxx **FE-Docket No. xx-xx-LNG**	Yes *(as needed after application submittal)*	*(July 2027)*
	NFTA Authorization to Export - (Non-Free Trade Agreement Countries – Order No. xxxx **FE-Docket No. xx-xx-LNG**		*(July2027)*
U.S. Army Corps of Engineers (USACE)	Clean Water Act (CWA) Section 404/10 **Permit No. SWG-2026-00464** Dredge Placement (PA-8) Permit **No. xxx** NWP 33	Yes *(Depending on EA or EIS determination)*	*(April 2027)*
U.S. Federal Aviation Administration (FAA)	Aeronautical Study Number (ASN)	N/A	*TBD*
STATE			
Texas Commission on Environmental Quality (TCEQ)	Major New Source Review (NSR), Prevention of Significant Deterioration (PSD), and Greenhouse Gas (GHG) Air Permits **Permit No. xxx, PSDTXxxx, GHGPSDTXxxx**	-	*(March 2027)*
	NPDES permit issued by TCEQ under Texas Pollutant Discharge Elimination System **TPDES Permit No. WQxxx0**		*(March 2027)*
Railroad Commission of Texas (RRC)	401 Certification USACE Section 404 & TPDES Section 402	No	*(March 2027)*
	Statement of Consistency with the Coastal Management Program/Miscellaneous Easement		*(March 2027)*
	P-5* **Permit No. xxxxx**		*TBD*
CONSULTATION			
U.S. Fish and Wildlife Service (USFWS)	Endangered Species Act (ESA) Section 7 Consultation	Yes	*(August 2026)*
NOAA National Marine Fisheries Service (NMFS)	ESA Section 7 and Magnuson-Stevens Act Consultation; Essential Fish Habitat (EFH)	Yes	*(August 2026)*
United States Coast Guard (USCG)	Waterway Suitability Assessment*	Yes	*(August 2026)*
Texas Department of Parks and Wildlife	State-listed species consultation	-	*(August 2026)*

ATTACHMENT 4

STAKEHOLDER LIST

Port Arthur LNG

Attachment 4 - Stakeholder List for the Port Arthur LNG North Project

LOCAL COMMUNITY	
Contact Info	Meeting Date
Captain Chris Deslatte Chairman- Sabine Pass Port Authority 5960 South 1st Ave. Sabine Pass, TX 77655 Phone: (409)971 2411	Monday, August 17, 2026
Kristi Heid Sabine Pass Resident and SPISD Superintedent 5641 S Gulfway Dr. Sabine Pass, TX 77655 Phone: (409) 728-0229	Tuesday, August 18, 2026

LOCAL GOVERNMENT	
Contact Info	Meeting Date
Judge Jeff Brannick 1149 Pearl St. #4 Beaumont, TX 77701 Phone: (409)835-8466	Monday, August 17, 2026
Charlotte Moses Mayor – Port Arthur, Texas 444 4th St. Port Arthur, TX 77640 Phone: (409)983-8105	Tuesday, August 18, 2026
Ronald Burton City Manager – Port Arthur, TX 444 4th St. Port Arthur, TX 77640 Phone: (409) 983-8101	Tuesday, August 18, 2026
Taylor Getwood 444 4th St. Port Arthur, TX 77640 Phone: (409)960-8723	Tuesday, August 18, 2026
Commissioner Michael Sinegal Jefferson County Pct. 3 Jefferson County Sub Courthouse 525 Lakeshore Drive Port Arthur, TX 77640 Phone: (409)893-8300	Wednesday, August 19, 2026

Port Arthur LNG

Attachment 4 - Stakeholder List for the Port Arthur LNG North Project

FEDERAL GOVERNMENT	
Contact Info	Meeting Date
Congressman Randy Weber 350 Pine St., Suite 1450 Beaumont, TX 77701 Phone: (409)835-0108	Friday, August 21, 2026
Senator Ted Cruz 167 Russell Senate Office Building Washington, D.C. 20510 Phone: (202)224-5922	Friday, August 21, 2026

Public

ATTACHMENT 5.1

PRELIMINARY WATERWAY SUITABILITY ASSESSMENT

Port Arthur LNG North, LLC

Preliminary Waterway Suitability Assessment (PWSA)

(In compliance with 33 CFR 127)

Prepared for:

Port Arthur LNG

Prepared by:

Kseas
2711 SW 43rd TER
Cape Coral FL 33914

Project	Date	Status
Port Arthur LNG North WSA	21 JUL 2026	FDraft

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Introduction and Purpose

33 CFR 127.007(e) states in part that *"an owner or operator intending to build a new LNG or LHG facility, or an owner or operator planning new construction to expand marine terminal operations in any facility handling LNG or LHG, where the construction or expansion will result in an increase in the size or frequency of LNG or LHG marine traffic on the waterway associated with a facility, must file or update as appropriate a waterway suitability assessment (WSA) with the COTP of the zone in which the facility is or will be located. The WSA must consist of a Preliminary WSA (PWSA) and a Follow-on WSA(FWSA)."* The PWSA is to be submitted with the LOI and include the information required in 33 CFR 127.007(f).

This document is intended to meet these requirements and is provided as Enclosure One to the Letter of Intent. An FWSA will be provided as required at a later date.

Port Characterization

The Sabine-Neches River System, commonly known as the Sabine-Neches Waterway (SNWW), is a vital 97-mile channel network in Southeast Texas and Southwest Louisiana. It connects the Gulf of America to the inland ports of Beaumont, Port Arthur, and Orange, handling over 190 million tons of cargo annually.

A summary of the Sabine-Neches Port statistics include the following:

- The SNWW is the nation's third-largest waterway by tonnage. It is the #1 bulk strategic military port (supporting the U.S. Army's 842nd Transportation Battalion) and the leading U.S. crude oil importer.
- The channel supports a mix of deep-draft vessels (e.g., crude oil tankers, LNG carriers, bulk freighters) and shallow-draft vessels (e.g., tugs and barges).
- The waterway stretches 64 federally authorized miles through the Sabine Pass Channel and Port Arthur Canal. The entrance from the Gulf of America leading to Port Arthur (Neches River Channel) flows 40 miles inland to the Port of Beaumont and the Sabine River Channel services the Port of Orange.
- For decades, the primary channel has been maintained at a depth of 40 feet and a width of 400 to 405 feet. The Sabine Neches Navigation District (SNND) is actively dredging the channel to deepen it from 40 feet to 48 feet. This major upgrade (the first in over 60 years) allows larger cargo ships to navigate the river without being partially loaded, dramatically improving supply-chain efficiency.

- The river system is lined with some of the nation's largest refineries, petrochemical plants, and terminals (including Motiva and Exxon). Major imports/exports include crude oil, liquid/dry chemicals, and steel.
- As a deep-draft channel, the SNWW tends to concentrate tidal current flows. Deeper navigation channels create an environmental concern by acting as a conduit for saltwater to penetrate further inland into the freshwater marshes and estuaries.

1. Existing Operational LNG Facilities

The area is home to three LNG export facilities. These include:

- Sabine Pass LNG (Cheniere Energy) located in LA in Cameron Parish. It is currently the largest LNG export terminal in the United States.
- Golden Pass LNG (ExxonMobil/Qatar Energy Joint Venture) located on the Texas side (Jefferson County) of the waterway about 10 miles south of Port Arthur proper.
- Port Arthur LNG (Sempra Infrastructure) located along the primary Sabine-Neches ship channel in Jefferson County being the newest facility.

2. Other Facilities

LHG encompasses liquefied petroleum gas (LPG like propane and butane), anhydrous ammonia, chlorine, and other compressed chemical gases. The Sabine-Neches Waterway is dense with these facilities due to the massive refining complex located in Southeast Texas.

These include:

- Petrochemical Hubs: Facilities operated by giants like Motiva, TotalEnergies, and Chevron Phillips along the Neches River handle large volumes of LHG for plastic production and fuel blending.
- Enterprise Products & Energy Transfer Terminals: These marine terminals routinely load and unload refrigerated LPG/LHG barges and deep-draft tankers for international export.

3. Vessel Traffic Density

Driven by recent expansions, the U.S. Coast Guard and local navigation districts report a surge in local energy traffic. Combined LNG and LHG transits are projected to increase the waterway traffic load by approximately 1,500 to 1,700 vessels per year. A total of 4,500 ship transits for the Sabine Neches Waterway are expected for 2027.

Characterization Of the LNG Or LHG Facility and LNG Or LHG Tanker Route

1. Port Arthur LNG North Facility Characterization

The PALNG North Project is proposed to develop additional natural gas liquefaction and export capacity at the existing Port Arthur LNG site in Jefferson County, Texas on the U.S. Gulf Coast to meet forecasted growth in global LNG demand. Industry projections indicate that demand is expected to outpace supply in the early 2030s, supporting the need for new export infrastructure. By locating the Project within an established industrial area and leveraging prior site development, the Project supports the efficient expansion of LNG export capacity.

The Port Arthur LNG North Terminal is proposed to be located on the west side of the Sabine-Neches Waterway, approximately five miles south of the intersection of SH 87 and SH 82 near the City of Port Arthur, Texas. The facility will be situated along the west side of the Sabine-Neches Ship Channel, south of the Gulf Intracoastal Waterway, at the approximate position of 29° 47.788'N and 93° 57.419'W.

The Terminal is to be constructed immediately north of the existing/under construction Port Arthur LNG Phase 1 and Phase 2 LNG facility at milepost (MP) 14, approximately 32.5 miles from the sea buoy. The Port Arthur LNG North facility will be a duplication of the Port Arthur LNG Phase 1 and Phase 2 facility.

The project is anticipated to replicate the existing/under construction Port Arthur Phase 1 and Phase 2 facility. It will consist of adding a marine berth dredged north of the current marine berth capable of loading two LNG vessels (Berths 3 and 4); an additional three LNG storage tanks (Tanks 4 – 6) similar in type and capacity to the current LNG tanks and four additional LNG liquefaction trains (Trains 5 - 8).

The construction of Port Arthur LNG North, LNG will increase production capacity approximately 27 MTPA under optimal conditions.

A graphic showing the planned Port Arthur LNG North project is provided following.

Note: Existing PALNG Facility berths blurred on left side of graphic

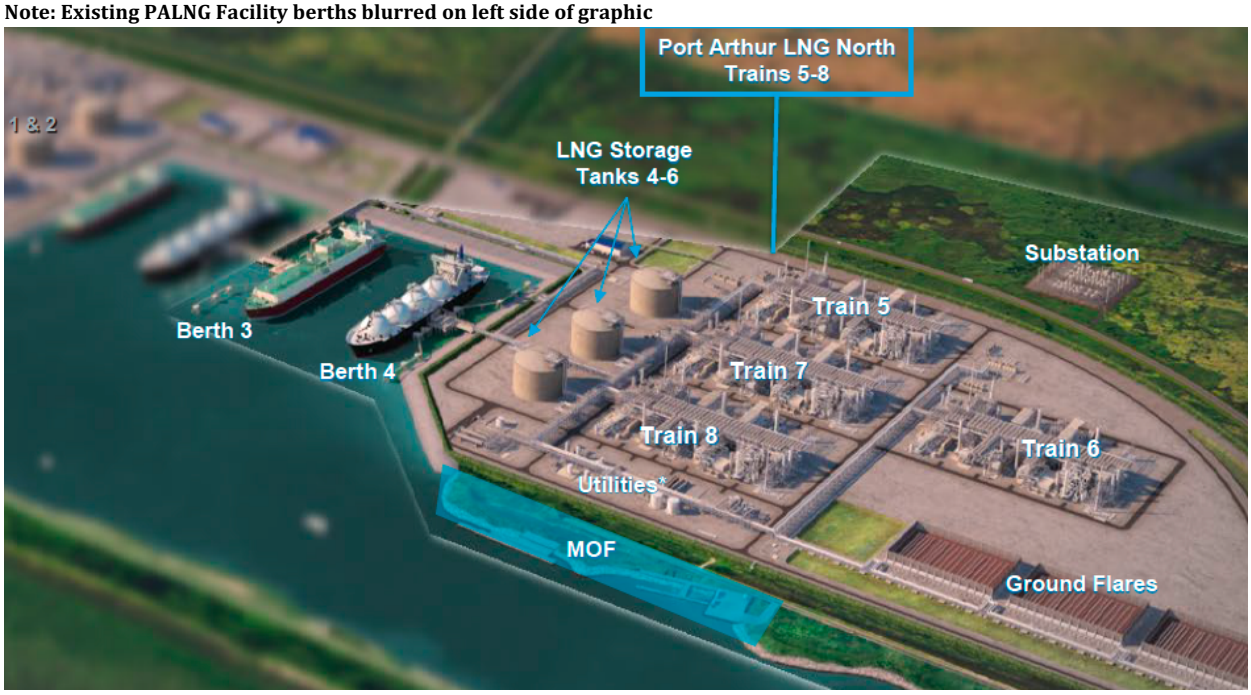

Figure 1 - Port Arthur LNG North Rendering

2. LNG Vessel Characterization

LNG vessels similar in size as currently servicing the existing facility will be used at this new facility. The marine facilities are being designed to handle ships with a capacity of up to 265,000 m^3 (QMAX) as well as QFLEX and smaller LNG vessels. Ships using the LNG terminal will comply with all USCG regulations for LNG ships. The marine facilities will be capable of loading on the order of 360 or more vessel loadings per year consistent with PALNG Phase 1 and Phase 2 facility. The actual number of ships may vary and will be dependent on the size of the ships calling on the LNG terminal over time.

Port Arthur LNG North will continually monitor LNG ship operations while at the LNG terminal to ensure that the operations are in accordance with USCG regulations and facility procedures.

3. LNG Vessel Route Characterization

The Sabine-Neches Waterway (SNWW) is located in southeast Texas and provides Gulf of America access to the harbor facilities at Sabine Pass, Port Arthur, Beaumont, and Orange, Texas. The existing project has an authorized depth of 40 feet and includes an approximately 77- to 79-mile major deep-draft shipping channel characterized by heavy commercial traffic,

strategically important ports, and an ongoing channel-deepening initiative from 40 to 48 feet. The Sabine-Neches Estuary, including Sabine Lake, is a biologically diverse coastal ecosystem shaped by substantial freshwater inflow, salinity dynamics, and significant industrial activity. It includes critical wetlands and supports diverse nekton populations, including shrimp, blue crab, and sport fishery resources.

The Sabine-Neches Waterway Channel Improvement Project which was initiated in 2019 includes deepening the inshore channel to 48 feet and extending the offshore channel by 13.2 miles to an optimized depth of 50 feet. The deepening project includes marsh-loss mitigation and emphasizes wildlife conservation. The accelerated project is targeted for completion in 2029.

The USCG and the Sabine Neches Navigation District (SNND) heavily regulates the movement of LNG and other vessels in the SNWW. The SNND oversees the channel's infrastructure and requires vessels to comply with specific local rules.

Risk Assessment for Maritime Safety and Security

A thorough risk assessment will be conducted and presented in the Follow-on Waterway Suitability Assessment. It is postulated that the current security risks to this new facility, while not publicly available, mirror those in the USCG classified risk matrix for critical national security infrastructure.

LNG vessel operations maintain an enviable safety record. There have been no documented accidents involving cargo containment failure or explosions of LNG carriers that resulted in a public safety disaster between 2012 and 2026. The industry has maintained an excellent safety record due to robust double-hull designs and cryogenic emergency shut-downs. However, there have been a handful of minor collisions, groundings, and one notable drone strikes in recent years.

1. Reported LNG Vessel Incidents (2012–Present)

- March 2026 (Mediterranean Sea; off Malta): The sanctioned Russian-flagged LNG carrier Arctic Metagaz, part of Russia’s shadow fleet, was struck by an apparent Ukrainian naval drone. Explosions erupted and the fully loaded vessel sank, though all 30 Russian crew members were safely rescued.
- March 2025 (Gibraltar): The Korea Line-owned 174,000-cbm LNG carrier SM Kestrel and the bulker Diamond Star II suffered a minor side-on collision in Gibraltar's western anchorage, resulting in damage but no injuries or pollution.

- February 2024 (South Korea): The LNG carrier SM JEJU LNG1 collided with a smaller cargo ship near Yeoseo Island. Both vessels sustained significant damage, but the Wando Coast Guard rescued all 77 people on board within four hours, and both ships remained afloat.
- September 2022 (Gibraltar): The LNG carrier Adam LNG was involved in a collision with the bulk carrier OS 35, which subsequently led to the intentional grounding of the bulker to prevent it from sinking. The LNG carrier sustained minor bow damage.
- March 2019 (UAE): The Shipping Corporation of India's LNG carrier Aseem collided with the Very Large Crude Carrier (VLCC) Shinyo Ocean at the Fujairah anchorage. Both ships sustained severe hull and bow damage, though there were no cargo breaches or casualties.
- 2012–2015: Several minor groundings and collisions were recorded, including the Al Oraiq grazing the sunken freighter Flinterstar off Belgium (2015) and the Puteri Nilam Satu colliding with the LPG tanker Sakura Harmony in Yokohama Bay (2013).

A number of commercial bulk-carriers and ships powered by LNG—such as the 2024 collision involving the dual-fuel bulk carrier HL Eco off Queensland, Australia—have experienced punctures in their onboard LNG fuel tanks.

2. Risks on Sabine – Neches Waterway

2.1. Conditions

The Sabine-Neches Waterway (SNWW) is a vital but narrow channel. Because it accommodates heavy, deep-draft petroleum and chemical vessels, it is a recognized hotspot for groundings, collisions (vessel-on-vessel), and allisions (vessel-on-fixed object). Historically, the waterway has averaged 2-3 collisions/allisions and roughly one grounding per month.

The restricted width of the Sabine-Neches Canal and Port Arthur Canal means that even minor mechanical failures—such as automatic engine shutdowns or false alarms—can lead to rapid collisions and or allisions.

2.2. Groundings

While groundings can be dangerous, they are usually less catastrophic in this specific area because the river and channel bed is predominantly soft.

2.3. Allisions

Allisions with moored tugs, dock structures, and stationary jack-up rigs are a recurring issue due to shifting tides and strong cross-channel currents.

3. Recent Incidents on Sabine-Neches Waterway

- 2010: The tankship Eagle Otome collided with the cargo vessel Gull Arrow in the Port Arthur Canal. This resulted in subsequent collisions involving a towboat and tank barge, spilling 462,000 gallons of oil and requiring evacuations.
- 2019: The offshore supply vessel Cheramie Bo Truc No 22 lost control and collided with an articulated tug and barge (Mariya Moran/Texas) in the Sabine Pass, causing a diesel spill and blocking the channel.

Incidents like the LPG carrier Gas Ares allision with moored tugs at the Motiva Port Neches Terminal highlight the risks of navigating large vessels near docks.

Risk Management Strategies

1. Implemented Risk Management Strategies

As the area has evolved to support large LNG export facilities, multiple risk management strategies have been implemented to ensure the safe and secure transit of LNG vessels into, out of, and throughout the SNWW. These strategies are continuously evaluated and updated based on lessons learned from LNG vessel movements and other vessel traffic within the waterway system.

These include the following:

- Fixed Security Zones: When LNG carriers are moored at terminals, strict exclusion zones are established around the vessel.
- Moving Security Zones: A moving exclusion zone travels with the LNG carrier while it is transiting the channel. Meeting, crossing, or overtaking by other ships within this zone is strictly prohibited without permission.
- Vessel Traffic Service (VTS): Vessels must monitor VTS Port Arthur on VHF channels to coordinate movements and avoid the LNG transit lane.
- Tug Escort Requirements: Rules under 33 CFR 165.806 mandate that large vessels (1,000 gross tons or greater) have tugs of sufficient horsepower accompanying the tow or ship to ensure complete and effective control at all times.

- Under-Keel Clearance: Deep-draft LNG carriers require an under-keel clearance (the distance between the bottom of the ship and the seabed) of roughly 5 - 7 feet to safely maneuver.
- Propulsion Safety: Dual-fueled LNG carriers must operate their propulsion boilers or internal combustion systems with oil-fired pilots engaged during port maneuvers to ensure immediate power backup.
- AIS & VTS Reporting: Ships must provide a fully operational Automatic Identification System (AIS) pilot plug. Continuous VTS digital reporting is required via "Port Arthur Traffic" on designated VHF marine frequencies.
- Pre-Arrival Notification**:** Inbound LNG vessels must submit a formal pilot request at least6 hours before arrival, while departures or shifts require a 4-hour notice.
- MARSEC Level Compliance: COTP requirements establish scalable, pre-planned security measures for each of the three MARSEC threat levels, enabling coordinated responses to credible threats affecting ports, vessels, and coastal infrastructure.
- Hurricane and Severe Weather Plans: COTP-directed port dispersal requirements guide vessel movements in port, while facility-specific procedures address preparations, response actions, and recovery measures for significant severe-weather threats.
- USCG Port State Control; identifies and eliminates substandard foreign-flagged vessels from U.S. waters through inspections, compliance checks, and risk-based targeting.

2. Vessel Movement Management

Vessel sequencing on the Sabine-Neches Waterway is strictly managed by VTS Port Arthur and guided by the Sabine Pilots via their established Ship Traffic Operating Protocol. Because the channel is a narrow, heavy-traffic artery, movements are organized based on vessel size, draft, and daylight availability.

These include:

- Daylight Restrictions for Large Vessels: Deep-draft vessels and liquid bulk carriers (e.g., Aframax tankers) over 85,000 DWT, 875 feet in length, or with a 125-foot beam are restricted to daylight transits above Texaco Island.
- Priority for Restricted Vessels: Vessels that are daylight-restricted or have a deeper draft generally receive priority when requesting to move, ensuring they do not get caught in the channel after dark.
- Two-Pilot Requirement: Vessels exceeding 860 feet in length or 120 feet in width require two Sabine pilots onboard during their initial transit.

- Overtaking and Passing: Meeting or passing situations in narrow channel bends are avoided. Furthermore, vessels with a combined beam equal to or exceeding half the width of the channel are prohibited from passing each other anywhere in the waterway.
- Tug Escort Rules: Tows on a hawser (towing cable) of 1,000 gross tons or greater are required to have a tug of sufficient horsepower to maintain complete and effective control throughout the transit.

Resource Needs for Maritime Safety, Security, and Response

1. Existing Resource Baseline

Port Arthur LNG maintains the resources needed to support safe and secure facility operations. It is the current template from which required resources will be evaluated with construction and operation of Port Arthur LNG North.

2. Resource Needs for Port Arthur LNG North

As Port Arthur LNG North is constructed and brought into operation, the required level of maritime safety, security, and response capability will be evaluated and documented. This evaluation will include the resources needed to support LNG carrier movements, facility security, and emergency response readiness.

- Tug support: Adequate tug resources will be assessed for escort, docking, and undocking operations, including support for QMAX LNG vessels calling on the facility.
- Security resources: Facility security needs will be reviewed in light of current operating conditions and the evolving security environment including cyber security.
- Response capability: Additional resources needed to maintain an appropriate level of maritime safety, security, and response readiness will be identified as part of the follow-on assessment.

3. Use of Operational Lessons Learned

Lessons learned from current Port Arthur LNG operations will be incorporated into the resource planning for Port Arthur LNG North to help ensure continuity, consistency, and an appropriate level of risk management for the expanded facility.

Public

ATTACHMENT 5.2

LETTER OF INTENT

Public

Port Arthur LNG

July 27, 2026

Captain of the Port
US Coast Guard MSU
2901 Turtle Creek Drive
Port Arthur, TX 77642

Re: **Letter of Intent; Port Arthur LNG North Export Facility, Port Arthur, TX**

Dear Captain of the Port,

Pursuant to 33 CFR 127.007, Port Arthur LNG North, LLC submits this Letter of Intent (LOI) to initiate the regulatory process authorizing the construction and operation of an LNG export facility on the Sabine-Neches Waterway. The project officially named the Port Arthur LNG North Project, henceforth known as Port Arthur LNG North, intends to construct, own and operate a LNG export facility near Port Arthur, Texas and north of the existing/under construction Port Arthur Phase 1 and Phase 2 LNG facility.

The following information as required by 33 CFR 127.007 is provided:

(1) The name, address, and telephone number of the owner and operator of the facility;

Port Arthur LNG North, LLC
2300 FM 365, Ste. 400
Nederland, TX 77627-6281
(832) 507-2469
POC: Chris Fortenberry

(2) The name, address, and telephone number of the Federal, State, or local agency having jurisdiction for siting, construction, and operation;

Federal Energy Regulatory Commission (FERC)
Office of the Secretary
888 First Street, NE
Washington, DC 20426

(3) The name, address, and telephone number of the facility;

Port Arthur LNG North, LLC
2300 FM 365
Suite 400
Nederland, TX 77627
(832) 507-2469
POC: Chris Fortenberry, Head of Port Arthur Operations

(4) The physical location/operation of the facility;

The Port Arthur LNG North Terminal is proposed to be located on the west side of the Sabine-Neches Waterway, approximately five miles south of the intersection of SH 87 and SH 82 near the City of Port Arthur, Texas. The facility will be situated along the west side of the Sabine-Neches Ship Channel, south of the Gulf Intracoastal Waterway, at the approximate position of **29° 47.788'N and 93° 57.419'W.** The terminal is to be constructed north of the existing/under construction Port

Port Arthur LNG

Arthur Phase 1 and Phase 2 LNG facility at milepost (MP) 14, approximately 32.5 miles from the sea buoy.

(5) *A description of the facility;*

The PALNG North Project is proposed to develop additional natural gas liquefaction and export capacity at the existing Port Arthur LNG site in Jefferson County, Texas on the U.S. Gulf Coast to meet forecasted growth in global LNG demand. The project is anticipated to replicate the existing/under construction Port Arthur Phase 1 and Phase 2 facility. It will consist of adding a marine berth dredged north of the current marine berth capable of loading LNG vessels (Berths 3 and 4); an additional three LNG storage tanks similar in type and capacity to the current LNG tanks (Tanks 4 – 6) and four additional LNG liquefaction trains (Trains 5 - 8). Port Arthur LNG North will increase LNG production capacity to approximately 27 MTPA under optimal conditions.

Industry projections indicate that demand is expected to outpace supply in the early 2030s, supporting the need for new export infrastructure. By locating the Project within an established industrial area and leveraging prior site development, the Project supports the efficient expansion of LNG export capacity.

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(6) *LNG vessels' characteristics and the frequency of transfer operations;*

Port Arthur LNG North will use LNG vessels comparable in size to those planned to serve the existing PALNG Phase 1 and Phase 2 facility. The marine facilities are being designed to accommodate vessels with capacities up to 265,000 m^3 (QMAX), as well as QFLEX and smaller LNG carriers. All vessels calling at the terminal will comply with applicable USCG regulations for LNG ships. The facility is expected to support approximately 360 or more vessel loadings per year, consistent with PALNG Phase 1 and Phase 2 facility; however, the actual number of calls may vary over time depending on vessel size. Port Arthur LNG North will continuously monitor LNG vessel operations at the terminal to ensure compliance with USCG regulations and facility procedures.

33 CFR 127.007(a)(1) requires the LOI to identify the nation of registry of LNG vessels reasonably expected to serve the facility, as well as the nationality or citizenship of their officers and crew. At this time, the nations of registry and crew nationalities for these vessels are not yet known. They are expected to be generally consistent with vessels planned for the PALNG Phase 1 and Phase 2 facility. The facility is anticipated to receive both Free Trade Agreement (FTA) and non-FTA registered vessels, crewed by officers and personnel of both FTA and non-FTA nationalities.

(7) *Charts showing waterway channels and identifying commercial, industrial, environmentally sensitive, and residential areas in and adjacent to the waterway used by the LNG or LHG vessels enroute to the facility, within at least 25 kilometers (15.5 miles) of the facility.*

Appropriate charts, maps and diagrams showing the navigation route, facility location and environmentally sensitive and residential areas adjacent to the waterway used by the LNG vessels

Port Arthur LNG

will be provided and discussed in the Waterway Suitability Assessment (WSA) as required by the provisions of paragraph (7).

Port Arthur LNG previously provided the USCG with a Waterway Suitability Assessment (WSA) for its Phase 1 and Phase 2 Projects on the Sabine-Neches Waterway. Port Arthur LNG North intends to use that WSA as the foundation for the WSA required for this project. While the suitability of the Sabine-Neches Waterway for LNG vessels of the size expected to serve Port Arthur LNG North has been established, the project's potential effect on waterway traffic density remains to be evaluated. Port Arthur LNG North will update the relevant sections of the prior WSA to reflect current navigation safety and security conditions, consistent with NVIC 01-11 and 33 CFR 127.007.

A Preliminary Waterway Suitability Assessment (PWSA) is provided as Enclosure One to this LOI.

It is understood that the WSA as required will be updated annually and reflect any changes made to the project as it evolves.

If the Coast Guard has any questions or requires any additional information or clarification, please feel free to contact Jim Thompson at (832) 284-5685 or Jerzy J. Kichner, PE, KSEAS LLC at (281) 250-9087.

Sincerely,

Chris Fortenberry
PALNG Head of Operations

ENCL: (1) Preliminary Waterway Suitability Assessment

Public

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Houston, TX this 25th day of August 2026.

/s/ Maria Hernandez

Maria Hernandez
1500 Post Oak Blvd., Suite 1000
Houston, TX 77056
MaHernandez@SempraGlobal.com