

From: (b) (6), (b) (7)(C)
To: [JONES ACT WAIVER REQUEST](#); (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: URGENT - FIONA / Puerto Rico relief waiver
Date: Tuesday, September 20, 2022 3:22:17 PM
Attachments: [US Flag Position List September 20, 2022 \(P&C\).pdf](#)
Importance: High

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++++
+URGENT REQUEST FOR +
+WAIVER OF NAVIGATION LAWS +
++++

ATTN: (b) (6), (b) (7)(C)
Chief; Cargo Security and Carriers
Office of Trade, Regulations, and Rulings
U.S. Customs and Border Protection
Dept. of Homeland Security

FM: (b) (6), (b) (7)(C)
Counsel, Shipping
BP Products North America, Inc.

Greetings:

This is an urgent request from BP Products North America, Inc. (BPPNA), to the DHS for grant of a specific waiver of the U.S. coastwise trade laws, (the "Jones Act"), specifically 46 USC §55102, allowing a foreign flag vessel otherwise legally in U.S. waters to transport a cargo from the continental United States to Puerto Rico in support of hurricane relief efforts.

Due to the island's large scale power outage, our local distributor network anticipates large demand increases in diesel fuel requirements, on a scale 3X to 10X, of that typically required. We anticipate much of this demand will be needed for power generation.

BPPNA is able to supply Puerto Rico with two liftings on the following schedule:

AVAILABLE PUERTO RICO FUEL DELIVERIES:

—
VESSEL: GH PARKS
DETAILS: Loaded at Texas City, Texas; approximately 308,000 barrels diesel, now drifting off Bahamas, anticipated arrival Puerto Rico September 25-30, 2022.
Vessel flag: Marshall Islands
Shipper: BPPNA
Receiver: _____ tances, intention
includes (b) (4) _____, and BP affiliates
Unlading Port: Various depending on circumstances, intention
includes Guayanilla, San Juan, and/or Yabacoa

VESSEL: BRITISH OFFICER
DETAILS: Loading Garyville, LA; approximately 300,000 +/- 10% barrels diesel; expected loading completion September 22-24; ETA Puerto Rico September 26-30.
Vessel flag: Isle of Man
Shipper: BPPNA
Receiver: [REDACTED] ances, intention includes (b) (4), and BP affiliates
Unlading Port: Various depending on circumstances, intention includes Guayanilla, San Juan, and/or Yabacoa

Our vessel broker contacts, having canvassed the U.S. flag market, are unable to find any coastwise qualified "Jones Act" tonnage for delivery on these quantities within the next 10 days.

POINT OF CONTACT: (b) (6), (b) (7)(C), e-mail: (b) (6), (b) (7)(C)

SPECIAL INSTRUCTIONS: Vessel requirements include clean petroleum product approved, minimum 300,000 bbls, ready to carry diesel oil.

STATEMENT OF US FLAG: WHILE BP DOES HAVE COASTWISE QUALIFIED TONNAGE UNDER CHARTER, NONE IN OUR CONTROL OR AVAILABLE IN THE SPOT MARKET CAN PERFORM THE REQUESTED LIFTING SCHEDULE.

NATIONAL DEFENSE: We anticipate large scale power and energy disruption on the island for 2-3 weeks. Security concerns are heightened. Humanitarian response is urgent.

ATTACHMENT: Sept 20,2022 U.S. FLAG TONNAGE LIST

Regards -

(b) (6), (b) (7)(C)

counsel - shipping

bp America, Inc.
201 Helios Way - 5.124
Houston, Texas 77079

E-mail: (b) (6), (b) (7)(C)
Office: [REDACTED]
Mobile: [REDACTED]

(b)(4)

Private and Confidential

Updated

Tuesday September 20, 2022

Date Vessel Owner Built Size Notes

<i>Date</i>	<i>Vessel</i>	<i>Owner</i>	<i>Built</i>	<i>Size</i>	<i>Notes</i>
(b)(4)					

(b)(4)

Private and Confidential

JONES ACT MR TANKER RATE HISTORY

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Avg
2021	(b)(4)												
2022	(b)(4)												

For August 2022;

We assess a (b)(4) TCE (Time Charter Equivalent) w/ an Average Bunker price of \$(b)(4)
(b)(4)

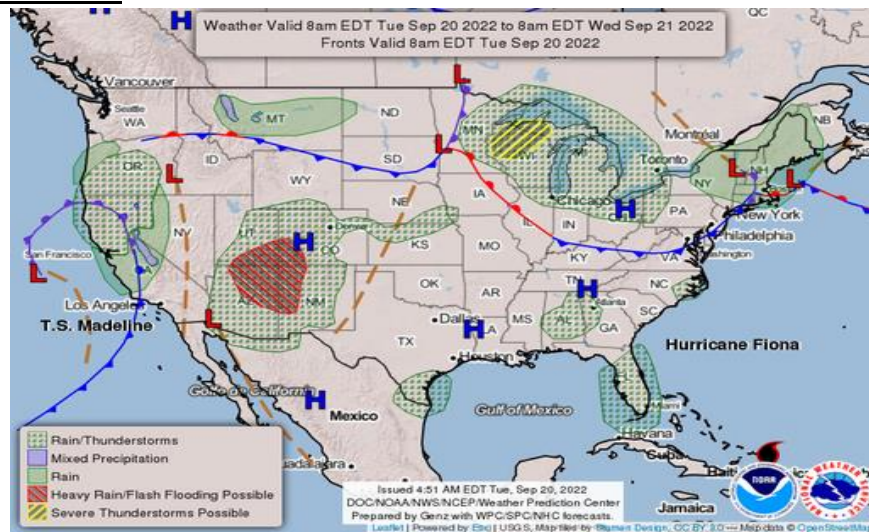
CRUDE REPORT

Month	WTI	Brent
(b)(4)		

BUNKER REPORT

U.S. Atlantic	MGO	U.S. Gulf	MGO	U.S. West Coast	MGO
(b)(4)					

WEATHER REPORT



From: (b) (6), (b) (7)(C)
To: (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: REVISED - FIONA / Puerto Rico relief waiver
Date: Tuesday, September 20, 2022 9:27:07 PM
Attachments: [US Flag Position List September 20, 2022 \(P&C\).pdf](#)
[ficon.bravo.PNG](#)
[twitter.PNG](#)

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++++
+URGENT REVISED REQUEST FOR+
+WAIVER OF NAVIGATION LAWS +
++++

ATTN: (b) (6), (b) (7)(C)
Chief; Cargo Security and Carriers
Office of Trade, Regulations, and Rulings
U.S. Customs and Border Protection
Dept. of Homeland Security

FM: (b) (6), (b) (7)(C)
Counsel, Shipping
BP Products North America, Inc.

Greetings (b) (6), (b) (7)(C)

This is an urgent request from BP Products North America, Inc. (BPPNA), to the DHS for grant of a specific waiver of the U.S. coastwise trade laws, (the "Jones Act"), specifically 46 USC §55102, allowing a foreign flag vessel otherwise legally in U.S. waters to transport a cargo from the continental United States to Puerto Rico in support of hurricane relief efforts.

Due to the island's large scale power outage, our local distributor network anticipates large demand increases in diesel fuel requirements, on a scale 3X to 10X, of that typically required. We anticipate much of this demand will be needed for power generation.

BPPNA is able to supply Puerto Rico with two liftings on the following schedule:

AVAILABLE PUERTO RICO FUEL DELIVERIES:

VESSEL: GH PARKS

DETAILS: Loaded at Texas City, Texas; approximately 308,000 barrels diesel, now underway, anticipated arrival Puerto Rico September 25-30, 2022. Sept 25 is possible with prompt approval (by Sept 22).

Vessel flag: Marshall Islands

TEXAS CITY SCHEDULE:

ARRIVED: SEPT 10, 2022
DOCKED: SEPT 14, 2022
COMPLETED CARGO LOADING: SEPT 15, 2022
SAILED: SEPT 15, 2022 / 22:18 LT
ETA TO PUERTO RICO: SEPT 25-30, [depends on CBP timing, vessel is underway]

Shipper: BPPNA
Receiver: Various depending on circumstances, intention includes (b) (4), and BP affiliates
Unlading Port: Various depending on circumstances, intention includes Guayanilla, San Juan, and/or Yabacoa - we may need to call certain Puerto Rico ports in specific order due to draft limits to lighter.

WE REQUEST A JONES ACT WAIVER FOR GH PARKS TO DEVIATE FOR PUERTO RICO DELIVERY.

VESSEL: BRITISH OFFICER

DETAILS: Loading Garyville, LA; approximately 300,000 +/- 10% barrels diesel; expected loading completion September 22-24; ETA Puerto Rico September 26-30.

Vessel flag: Isle of Man

Shipper: BPPNA

Receiver: Various depending on circumstances, intention includes (b) (4), and BP affiliates

Unlading Port: Various depending on circumstances, intention includes Guayanilla, San Juan, and/or Yabacoa

WE REQUEST A JONES ACT WAIVER FOR BRITISH OFFICER TO LOAD WITHIN THESE DATES FOR PUERTO RICO DELIVERY.

Our vessel broker contacts, having canvassed the U.S. flag market, are unable to find any coastwise qualified "Jones Act" tonnage for delivery on these quantities within the next 10 days.

POINT OF CONTACT: (b) (6), (b) (7)(C), e-mail: (b) (6), (b) (7)(C)

SPECIAL INSTRUCTIONS: Vessel requirements include clean petroleum product approved, minimum 300,000 bbls, ready to carry diesel oil.

STATEMENT OF US FLAG: WHILE BP DOES HAVE COASTWISE QUALIFIED TONNAGE UNDER CHARTER, NONE IN OUR CONTROL OR AVAILABLE IN THE SPOT MARKET CAN PERFORM THE REQUESTED LIFTING SCHEDULE.

NATIONAL DEFENSE:

U.S. Army Fort Buchanan reports current FPCONDITION "BRAVO" and posting on twitter account their appreciated support during this "emergency".

We also note the following today:

BBC reports: Puerto Rico health facilities are affected by power outages.

Washington Post reports: Biden has declared "major disaster declaration"

USA Today reports: 80% of island is without power, water service cut to 837,000 persons
NPR reports: hundreds of thousands of persons without electricity, Gov. Pierluisi reports outages as "catastrophic".

While this situation is highly dynamic, BPPNA anticipates large scale power disruption on the island for 2-3 weeks affecting local and federal government operations, security concerns to be heightened, and humanitarian response to remain urgent. Supplying this fuel on a relatively prompt basis (Sept 25-30) would go to meet immediate requirements for power generation and transportation on the island.

ATTACHMENT: Sept 20,2022 U.S. FLAG TONNAGE LIST

I am available to discuss our request at any time - my mobile is (b) (6), (b) (7)(C).

Regards -

(b) (6), (b) (7)(C)

counsel - shipping

bp America, Inc.
201 Helios Way - 5.124
Houston, Texas 77079

E-mail: (b) (6), (b) (7)(C)
Office: (b) (6), (b) (7)(C)
Mobile: (b) (6), (b) (7)(C)

(b)(4)

Private and Confidential

Updated

Tuesday September 20, 2022

Date

Vessel

Owner

Built

Size

Notes

(b)(4)

(b)(4)

Private and Confidential

JONES ACT MR TANKER RATE HISTORY

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Avg
2021	(b)(4)												
2022	(b)(4)												

For August 2022;

We assess a (b)(4) TCE (Time Charter Equivalent) w/ an Average Bunker price of \$(b)(4)
(b)(4)

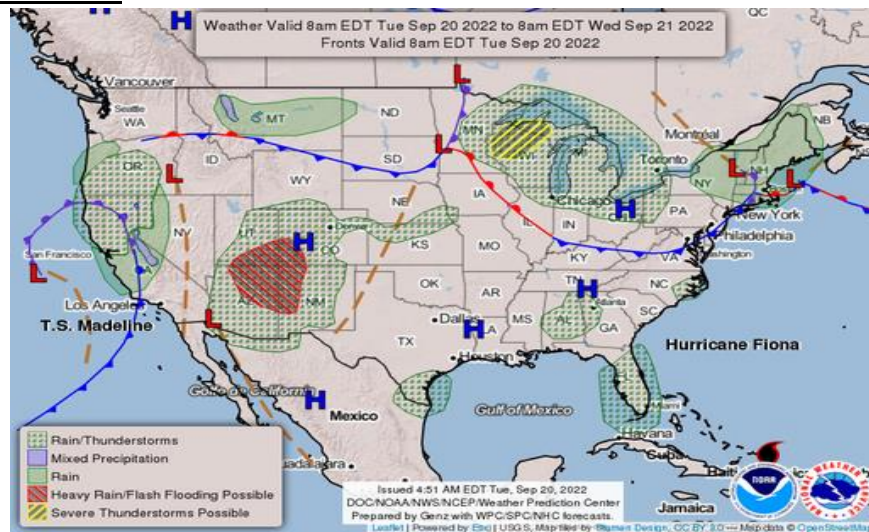
CRUDE REPORT

Month	WTI	Brent
(b)(4)		

BUNKER REPORT

U.S. Atlantic	MGO	U.S. Gulf	MGO	U.S. West Coast	MGO
(b)(4)					

WEATHER REPORT





Homeland Security

September 28, 2022

Mr. John Latrobe
BP Products North America, Inc.
201 Helios Way
Houston, TX 77079

Dear Mr. Latrobe:

This is in response to your correspondence of September 20, 2022, wherein you requested a waiver of the Jones Act on behalf of BP Products North America, Inc. (BPPNA), for coastwise transportation activity onboard two non-coastwise-qualified vessels. BPPNA proposed to use these vessels to transport refined diesel fuel. Loading for the first vessel was completed at Texas City, Texas, and shipping began September 15, 2022, for discharge at Guayanilla, San Juan, and/or Yabacoa, Puerto Rico, on or about September 25-30, 2022. Loading for the second vessel was completed at Garyville, Louisiana, on or about September 23, 2022, for immediate shipping and discharge at Guayanilla, San Juan, and/or Yabacoa, Puerto Rico, on or about September 26-30, 2022. On September 26, 2022, BPPNA withdrew the waiver request as to the vessel for proposed shipping from Garyville, Louisiana to Puerto Rico. As we understand the situation, the vessel for which a waiver continues to be requested is located near the dock in Puerto Rico and is ready to unlade immediately if a waiver is granted. You state that BPPNA is requesting a waiver because:

“U.S. Army Fort Buchanan reports current FPCONDITION ‘BRAVO’ and posting on twitter account their appreciated support during this ‘emergency’. ... While this situation is highly dynamic, BPPNA anticipates large scale power disruption on the island for 2-3 weeks affecting local and federal government operations, security concerns to be heightened, and humanitarian response to remain urgent. Supplying this fuel on a relatively prompt basis (Sept 25-30) would go to meet immediate requirements for power generation and transportation on the island.”

BPPNA also informed CBP in the evening on September 23, 2022, that it has “received several appeals for urgent supply from our Puerto Rico customer market. We are told this fuel is needed for a wide range of public services including power, hospitals, and response transportation. Some of the pleas have been urgent in nature.”

As you know, the Jones Act, 46 U.S.C. § 55102, provides, in part, that no merchandise shall be transported between points in the United States embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any vessel other than a vessel built in, documented under the laws of, and owned by citizens of the United States. The coastwise laws, including the Jones Act, generally apply to points in the territorial sea, which is

defined as the belt, three nautical miles wide, seaward of the territorial sea baseline, and to points located in internal waters, landward of the territorial sea baseline.

The coastwise laws administered by U.S. Customs and Border Protection (CBP) and the Department of Homeland Security (DHS) can only be waived under the authority provided in 46 U.S.C. § 501. This statute provides in pertinent part:

When the head of an agency responsible for the administration of the navigation or vessel-inspection laws considers it necessary in the interest of national defense, the individual, following a determination by the Maritime Administrator, acting in the Administrator's capacity as Director, National Shipping Authority, of the non-availability of qualified United States flag capacity to meet national defense requirements, may waive compliance with those laws to the extent, in the manner, and on the terms the individual, in consultation with the Administrator, acting in that capacity, prescribes.

We requested the advice of the Department of Defense (DoD) and the Department of Energy (DOE) with respect to your waiver request and its national defense implications. (b)(7)(E)

(b)(7)(E)

(b)(7)(E)

Additionally, on September 27, 2022, the Governor of Puerto Rico — the local leader responsible for response and recovery efforts on the island, with knowledge of existing stocks, consumption, and delivery of diesel in the near future — informed President Biden that “the demand for fuel, particularly diesel, has significantly increased.” The Governor states that: “Puerto Rico has begun purchasing and distributing diesel to critical facilities, including public hospitals, water pumping stations, wastewater treatment plants, and emergency management centers, among others. At the same time, private citizens, business, and industries are consuming a significant amount of diesel to generate power, as the public electric grid continues to be repaired.” The Governor reported that “fuel distributors have informed us that diesel supplies continue to decrease at a higher rate than previously anticipated and shortages have been reported around the island.”

Mr. John Latrobe

Page 3

The Maritime Administrator at the Department of Transportation (MARAD) has affirmed the unavailability of U.S.-flagged, coastwise-qualified vessels to provide the immediate delivery of the fuel products outlined in your waiver request.

In addition, the Puerto Rico Ports Authority (PRPA) has informed us that “based on the PRPA’s best knowledge and information, the problem currently encountered by Puerto Rico is not one of distribution but rather of supply.”

We have carefully considered your request for a waiver of the Jones Act and the information available to the Department. We find that your request for a waiver with respect to the transportation from Texas City, Texas, to Puerto Rico, is necessary in the interest of national defense due to the likelihood of a shortage of diesel fuel in Puerto Rico. Accordingly, your request for a waiver of the Jones Act, for the single vessel presently in Puerto Rico, as described above, is approved.

Sincerely,

(b)(6); (b)(7)(C)

Alejandro W. Mayorkas
Secretary

cc: (b)(6) Department of Defense
(b)(6) Maritime Administration
(b)(6) Department of Energy

To: JonesActWaiverRequest@cbp.dhs.gov

14^h October 2022

Subject: Formal request of waiver of compliance with the Merchant Marine Act of 1920 (46 U.S.C. §55102), better known as the Jones Act, for the LNG supply to Puerto Rico

Dear Sirs,

Reference is made to the Merchant Marine Act of 1920 (46 U.S.C. §55102) (the “Jones Act”).

For the reasons set forth below, we respectfully request approval of a temporary and targeted Jones Act Waiver in order to address Puerto Rico’s immediate needs in the wake of Hurricane Fiona.

Naturgy Aproveisionamientos S.A. (“Naturgy”) is a Spanish company which holds the main firm long-term sale and purchase contract in force for the supply of natural gas vaporized from liquefied natural gas (“LNG”) to the Puerto Rico Electric Power Authority (“PREPA”) for power generation in Puerto Rico.

AES Andres DR S.A. (“AES”) is a company with registered offices in Dominican Republic that develops, builds and manages renewable energy projects serving customers in the Dominican Republic.

Last September 19, 2022, EcoEléctrica’s LNG terminal issued a Force Majeure notice to Naturgy due to the passing of Hurricane Fiona through Puerto Rico (the “**Force Majeure**”) and since then, Naturgy has not been able to supply LNG to the island. It is foreseen that the Force Majeure is lifted on October 14, 2022 and PREPA has asked Naturgy for an urgent supply to maintain a reliable operation capable of supplying the energy demand of the citizens of Puerto Rico.

Naturgy is in discussions with AES to supply LNG to be delivered in Puerto Rico on October 15, 2022. Naturgy is hereby respectfully asking for a one-time, temporary, and targeted waiver to the Jones Act.

The Governor of Puerto Rico has requested a formal declaration of major emergency to the Federal Government. The supply of LNG to the EcoEléctrica Power Plant is of utmost importance and a top priority.

1. Puerto Rico’s LNG supply current situation

For geographical and U.S. regulatory reasons, the source of LNG supply to Puerto Rico has been historically the LNG facilities located in Trinidad and Tobago, that are the only LNG producing facilities located in the Atlantic coast of the Americas other than the U.S. LNG producing facilities. As is well known, the production of gas in Trinidad seems to be in steep decline (see Annex A). Such decline is compelling now -and in the foreseeable future- to source Puerto Rico with LNG from the global LNG market. Therefore, and due to the Jones Act, American produced LNG has never been transported to Puerto Rico.

This global natural gas market is experiencing, and will continue to, a substantial re-shaping that is creating a staggering price volatility and security of supply concerns as a consequence of epochal global structural changes: i.e., the geopolitical tensions in Europe in the frame of the Russian-Ukrainian conflict, where the U.S. is poised to become the main LNG supplier to Europe amid the limitations and depletion of other traditional LNG sources in the Atlantic basin.

Thus, Puerto Rico is facing now another challenge: the shortage of LNG supply that compounds the challenges arising from current circumstances, including devastation caused by Hurricane Fiona on 18th September 2022, as well as, from the January 2020 earthquake and its innumerable aftershocks.

2. Naturgy formal request

In the interest of assuring the immediate and urgent supply of LNG to Puerto Rico, Naturgy hereby formally requests a one-time, temporary, and targeted waiver of compliance with the Jones Act for the following LNG cargo, from AES as Shipper, that contains a portion of LNG originally sourced from the US:

- Cargo (description, type, weight and dimensions of cargo, units if containerized): 30,000 cubic meters of LNG
- Name of the vessel that will be used for the proposed transportation: Methane Princess
- Vessel Flag/County of Registration: Marshall Islands
- Available for Loading Date (ready for pick-up): October 14th, 2022
- Required Shipping Date (must be shipped by): October 15th, 2022
- Required Delivery Date: October 15th, 2022
- Preferred Port of Lading: AES Andres LNG Terminal, Dominican Republic
- Preferred Port of Unlading: EcoEléctrica LNG Terminal, Peñuelas, Puerto Rico
- Name of Shipper: AES Andres DR. S.A.
- Name of Consignee: Naturgy Aprovisionamientos S.A.
- Point of Contact (name, phone, email): (b) (6), (b) (7)(C)
- Special Instructions (Hazmat? Other concerns?): None

All other requirements can be provided in a reasonable fashion.

In addition to the point of supply for LNG and the need for foreign flag vessels is the lack of Jones Act LNG vessels available.

The geographic location and political status of Puerto Rico should not be construed as a constraint in these times of crisis. Contrary to the U.S. mainland, where fuel is carried domestically across interstate pipelines, Puerto Rico has only one alternative: ports and LNG tankers. The burden that the enforcement of the Jones Act creates for Puerto Rico during these extraordinary times is unsustainable.

We understand that this Department is acutely aware of the significance of PREPA's role in electric power generation, and for that reason a Jones Act's waiver would allow Puerto Rico not only to secure the essential service of power but that those residing in the island would have the opportunity of a greener and more energy-efficient power system, while reducing their economic burden.

Sincerely,

(b) (6), (b) (7)(C)



GOVERNOR OF PUERTO RICO
Pedro R. Pierluisi

October 14, 2022

The Honorable Alejandro Mayorkas
Secretary
Department of Homeland Security

Dear Mr. Secretary,

The Government of Puerto Rico continues to respond to the emergency caused by Hurricane Fiona. Specifically, due to damages caused by Hurricane Fiona to our power generation plants, producing enough energy and securing access to fuel, in particular LNG, has again become an urgent emergency situation.

Accordingly, I hereby support the one-time Jones Act temporary waiver requested by Naturgy Aprovevisionamientos S.A., who is the contracted LNG supplier of the EcoEléctrica plant in Guayama. This plant, which generates 530 megawatts, more than 20 percent of our Island's electricity demand, suffered damages to its LNG terminal. Repairs were only finished yesterday, not in time to receive a Jones Act compliant barge that was supposed to supply LNG to EcoEléctrica two days before and had to be diverted.

Furthermore, because of technical failures in other generation plants, like Aguirre and AES, PREPA was unable to supply enough electricity to meet the peak demand last night, and over 100,000 people suffered outages. These load sheds could be repeated later today and could continue if we are unable to replenish LNG to EcoEléctrica, since it only has enough LNG to continue to generate electricity for less than 24 hours. This could also affect hospitals and businesses, which is particularly damaging considering that we are still recovering from Hurricane Fiona.

Again, I respectfully request that you grant the requested waiver as expeditiously as possible to ensure the people of Puerto Rico have reliable electric service.

Sincerely,

A handwritten signature in blue ink, appearing to read "Pierluisi".

Secretary

U.S. Department of Homeland Security
Washington, DC 20528



Homeland
Security

October 16, 2022

(b) (6), (b) (7)(C)

Dear (b) (6), (b) (7)(C) :

This is in response to your correspondence of October 14, 2022, wherein you requested a waiver of the Jones Act on behalf of Naturgy LNG, S.L. (“Naturgy”), for a proposed coastwise transportation activity onboard the METHANE PRINCESS. You propose to use the vessel to transport LNG from AES Andres LNG Terminal, Dominican Republic, to EcoEléctrica LNG Terminal, Penuelas, PR. You state that loading for the vessel and shipping will occur on October 15, 2022, for discharge on or about October 16, 2022. You state that Naturgy is requesting this waiver because:

The lack of LNG will unavoidably cause load shedding throughout the island of Puerto Rico for approximately 11 days (until 10/26/2022). Puerto Rico will face energy-related operational challenges, such as:

- energizing critical bases of operation such as Fort Buchanan Military Base in San Juan, Puerto Rico National Guard, San Juan International Airport, police stations, fire stations and water supply facilities;
- assuring reliable energy supply for information systems/operations needed by the banking industry and pharmaceutical manufacturing;
- maintaining readiness of the VA Caribbean Healthcare System, San Juan Medical Center and other local health care facilities;
- defeating disruption of the food and fuel supply chain, and industrial commodities.

As you know, the Jones Act, 46 U.S.C. § 55102, provides, in part, that no merchandise shall be transported between points in the United States embraced within the coastwise laws, either directly or via a foreign port, or for any part of the transportation, in any vessel other than a vessel built in, documented under the laws of, and owned by citizens of the United States. The coastwise laws, including the Jones Act, generally apply to points in the territorial sea, which is

REL0000000997

defined as the belt, three nautical miles wide, seaward of the territorial sea baseline, and to points located in internal waters, landward of the territorial sea baseline.

The coastwise laws administered by U.S. Customs and Border Protection (CBP) can only be waived under the authority provided in 46 U.S.C. § 501. This statute provides in pertinent part:

When the head of an agency responsible for the administration of the navigation or vessel-inspection laws considers it necessary in the interest of national defense, the individual, following a determination by the Maritime Administrator, acting in the Administrator's capacity as Director, National Shipping Authority, of the non-availability of qualified United States flag capacity to meet national defense requirements, may waive compliance with those laws to the extent, in the manner, and on the terms the individual, in consultation with the Administrator, acting in that capacity, prescribes.

We requested the views of the Department of Energy (DOE) with respect to your waiver request and its national defense implications. DOE has provided us information articulating current needs and shortages on fuel, including LNG, on the island of Puerto Rico. Similarly, the Governor of Puerto Rico has advised of critical needs.

By letter received October 16, 2022, DOE advised that, “[T]he delivery of LNG consistent with the waiver request from Naturgy and AES, would provide a benefit to the people of Puerto Rico by preventing potential power disruption due to generation inadequacy. Ensuring adequate generation could also prevent power outages to critical facilities, such as hospitals, San Juan International Airport, water and wastewater treatment plants and facilities in support of national defense, including Fort Buchanan [sic] and facilities for the Puerto Rico National Guard.”

Additionally, on October 14, 2022, the Governor of Puerto Rico – the local leader responsible for response and recovery efforts on the island, with knowledge of existing stocks, consumption, and information concerning planned delivery of LNG in the near future – informed DHS that, “because of technical failures in other generation plants, like Aguirre and AES, PREPA was unable to supply enough electricity to meet the peak demand last night, and over 100,000 people suffered outages. These load sheds could be repeated later today and could continue if we are unable to replenish LNG to EcoEléctrica, since it only has enough LNG to continue to generate electricity for less than 24 hours. This could also affect hospitals and businesses, which is particularly damaging considering that we are still recovering from Hurricane Fiona.”

Finally, we have sought advice from the Maritime Administration (MARAD) at the Department of Transportation as to the availability of Jones-Act-qualified vessels to perform similar transportation during the necessary window of time. MARAD has affirmed the unavailability of U.S.-flagged, coastwise-qualified vessels to provide the immediate delivery of LNG outlined in your waiver request.

We have carefully considered your request for a waiver of the Jones Act and the information available to the Department. We find that your request for a waiver with respect to the proposed transportation of LNG from AES Andres LNG Terminal, Dominican Republic to

EcoEléctrica LNG Terminal, Penuelas, PR is necessary in the interest of national defense at this time because there is a shortage of LNG in Puerto Rico. Accordingly, your request for a waiver of the Jones Act, as described above, is approved.

Sincerely,

(b)(6); (b)(7)(C)

Alejandro N. Mayorkas

cc: (b)(6), (b)(7)(C) Department of Defense
(b)(6), (b)(7)(C) Maritime Administration
(b)(6), (b)(7)(C) Department of Energy

From: (b) (6), (b) (7)(C)
To: JONES ACT WAIVER REQUEST; (b) (6), (b) (7)(C)
Cc: (b) (6), (b) (7)(C)
Subject: RE: Formal Request of Waiver of Compliance with the Jones Act for the LNG Supply to Puerto Rico - Naturgy
Date: Friday, October 14, 2022 7:28:37 PM
Attachments: [image001.png](#)
[image005.png](#)
[image013.png](#)
[image016.png](#)
[image017.png](#)
[image018.png](#)
[image019.png](#)
[image020.png](#)
[image021.png](#)

Dear (b) (6), (b) (7)(C),

The vessel doesn't have further flexibility in departure/arrival dates. Therefore and taking into account the critical situation in Puerto Rico and that we are in European time, we kindly ask to approve the request as soon as possible so we can proceed to instruct the vessel towards Puerto Rico and discharge the cargo there on the 16th at the latest.

Thanks for your comprehension and best regards,

(b) (6), (b) (7)(C)

Enviado desde mi Galaxy

----- Mensaje original -----

De: JONES ACT WAIVER REQUEST <jonesactwaiverrequest@cbp.dhs.gov>

Fecha: 15/10/22 1:18 (GMT+01:00)

Para: (b) (6), (b) (7)(C)

Asunto: RE: Formal Request of Waiver of Compliance with the Jones Act for the LNG Supply to Puerto Rico - Naturgy

Good evening (b) (6), (b) (7)(C),

Thank you very much for your response. In addition to the question below, we are curious whether the vessel has further potential departure/arrival dates. The required shipping and delivery dates listed in your request appear to be tomorrow, October 15, 2022. However, because CBP must consult its interagency partners in processing the request (e.g., consultations with DoD, DOE, and obtaining an industry survey from MARAD), and it is now Friday evening, we do not expect to be able to provide a response within that time frame.

Best,

(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)

Sent: Friday, October 14, 2022 6:41 PM

To: JONES ACT WAIVER REQUEST <jonesactwaiverrequest@cbp.dhs.gov>; (b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

Cc: (b) (6), (b) (7)(C)

Subject: RE: Formal Request of Waiver of Compliance with the Jones Act for the LNG Supply to Puerto Rico - Naturgy

Dear Sirs,

Please, find below the information required:

1. A statement explaining how the waiver would be necessary in the interest of national defense. See 46 U.S.C. 501(a).

The lack of LNG will unavoidably cause load shedding throughout the island of Puerto Rico for approximately 11 days (until 10/26/2022). Puerto Rico will face energy-related operational challenges, such as:

- energizing critical bases of operations such as Fort Buchanan Military Base in San Juan, Puerto Rico National Guard, San Juan International Airport, police stations, fire stations and water supply facilities;
- assuring reliable energy supply for information systems/operations needed by the banking industry and pharmaceutical manufacturing;
- maintaining readiness of the VA Caribbean Healthcare System, San Juan Medical Center and other local health care facilities;
- defeating disruption of the food and fuel supply chain, and industrial commodities.

2. A statement that the requestor does not have under charter any coastwise-qualified vessel that is capable of transporting the type of merchandise at issue.

Currently, there are no gas tankers complying with the Jones Act requirements. Some of these requirements are that the vessel engaged in trade must be U.S. flagged, U.S. crewed as well as built in a U.S. shipyard.

These requirements are not met by any gas tanker currently operating in the worldwide market. This can be confirmed, for example, by the non-existence of gas tankers in the US Flag Ship Registry.

3. The U.S. location from which the LNG to be laded in the Dominican Republic was transported. Please provide the date that fuel was laded in the U.S., the vessel used to transport the fuel to the Dominican Republic, the date of shipment from the U.S., and the date the fuel arrived in the Dominican Republic.

- i) Completion Date/Terminal Loading U.S.: Oct 1st, 2022. Calcasieu Pass, LA.
- ii) Vessel Name: SEAPEAK MAGELLAN
- iii) Arrival Date/Terminal Unloading D.R.: Oct 6th, 2022. AES Andres LNG Terminal.

- 4.- Confirmation that the subject cargo has not yet departed from the Dominican Republic.
Confirmed. Methane Princess remains in Dominican Republic waters.

We look forward to hearing from you,

Best regards,

(b) (6), (b) (7)(C)

REL0000000997

(b) (6), (b) (7)(C)

Antes de imprimir este mensaje, asegúrese de que es necesario hacerlo. Protejamos el medio ambiente

De: JONES ACT WAIVER REQUEST <jonesactwaiverrequest@cbp.dhs.gov>

Enviado el: viernes, 14 de octubre de 2022 21:03

Para: (b) (6), (b) (7)(C); JONES ACT WAIVER REQUEST
<jonesactwaiverrequest@cbp.dhs.gov>

CC: (b) (6), (b) (7)(C)

Asunto: RE: Formal Request of Waiver of Compliance with the Jones Act for the LNG Supply to Puerto Rico - Naturgy

Good afternoon (b) (6), (b) (7)(C),

I confirm that we have received your request. However, the request is missing required information for CBP to process the request, and we cannot consider the request until the following information is provided:

1. A statement explaining how the waiver would be necessary in the interest of national defense. See 46 U.S.C. 501(a).
2. A statement that the requestor does not have under charter any coastwise-qualified vessel that is capable of transporting the type of merchandise at issue.
3. The U.S. location from which the LNG to be laded in the Dominican Republic was transported. Please

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- provide the date that fuel was laded in the U.S., the vessel used to transport the fuel to the Dominican Republic, the date of shipment from the U.S., and the date the fuel arrived in the Dominican Republic.
4. Confirmation that the subject cargo has not yet departed from the Dominican Republic.

Thank you very much, and please let me know if you have any questions.

Kind regards,

(b) (6), (b) (7)(C)

Attorney-Advisor

U.S. Customs and Border Protection

Office of Trade, Regulations and Rulings Cargo Security, Carriers and Restricted Merchandise Branch

90 K St., NE, 10th Floor

Washington, D.C. 20229

(b) (6), (b) (7)(C)

From: (b) (6), (b) (7)(C)

Sent: Friday, October 14, 2022 11:27 AM

To: JONES ACT WAIVER REQUEST <jonesactwaiverrequest@cbp.dhs.gov>

Cc: (b) (6), (b) (7)(C)

Subject: Formal Request of Waiver of Compliance with the Jones Act for the LNG Supply to Puerto Rico - Naturgy

CAUTION: This email originated from outside of DHS. DO NOT click links or open attachments unless you recognize and/or trust the sender. If you feel this is a suspicious-looking email, please report by using the Report Phish button option.

Dear Sirs,

Please, find attached herein Naturgy Aproveisionamientos S.A. formal request of waiver of compliance with the Jones Act for the LNG supply to Puerto Rico.

Should you have any query on this letter, please do not hesitate to contact us.

Please acknowledge receipt.

Best regards,

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)

(b) (6), (b) (7)(C)