# UNITED STATES OF AMERICA

# DEPARTMENT OF ENERGY

# OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

ARC RESOURCES U.S. CORP.

DOCKET NO. 21-79-NG DOCKET NO. 19-95-NG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA, AND VACATING PRIOR BLANKET AUTHORIZATION

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DOE/FECM ORDER NOS. 4736 AND 4421-A

SEPTEMBER 13, 2021

#### I. <u>DESCRIPTION OF REQUEST</u>

On August 2, 2021, ARC Resources U.S. Corp. (ARC Resources) filed an application with the Office of Fossil Energy and Carbon Management (FECM) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA)<sup>1</sup> for blanket authorization to import 630 billion cubic feet (Bcf) of natural gas from Canada by pipeline. The applicant requests the authorization be granted for a two-year term that began on July 1, 2021.<sup>2</sup> ARC Resources is a Delaware corporation with its principal place of business in Calgary, Alberta, Canada.

Previously, on August 16, 2019, DOE granted ARC Resources (formerly Seven Generations Energy (US) Corp.) authorization in DOE/FE Order No. 4421 to import 540 Bcf of natural gas from Canada for a two-year term beginning on November 1, 2019, and extending through October 31, 2021.

On July 1, 2021, Seven Generations Energy (US) Corp. filed a Certificate of Amendment of Certificate of Incorporation of Seven Generations Energy (US) Corp. with the Delaware Secretary of State, changing the corporation's name to "ARC Resources U.S. Corp." On August 23, 2021, ARC Resources requested that DOE vacate its existing authorization in DOE/FE Order No. 4421 (still in the name of Seven Generations Energy (US) Corp.), effective July 1, 2021, to be concurrent with the retroactive issuance of the new authorization it has requested.<sup>3</sup>

### II. <u>FINDING</u>

<sup>1</sup> Authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA (15 U.S.C. § 717b) has been delegated to the Assistant Secretary for FECM in Redelegation Order No. S4-DEL-FE1-2021, issued on March 25, 2021. On July 4, 2021, the Office of Fossil Energy changed its name to the Office of Fossil Energy and Carbon Management.

<sup>&</sup>lt;sup>2</sup> ARC Resources' blanket authorization, granted in DOE/FE Order Nos. 4421, extends through October 31, 2021. *See also* Letter from Ryan Berrett, ARC Resources Ltd., to DOE (Aug. 23, 2021) (requesting effective date of July 1, 2021).

<sup>&</sup>lt;sup>3</sup> See id.

The application has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c), the import and export of natural gas, including liquefied natural gas (LNG), from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas and the import of LNG from other international sources are deemed to be consistent with the public interest, and applications for such imports and exports must be granted without modification or delay. The authorization sought by ARC Resources to import natural gas from Canada, a nation with which a free trade agreement requiring national treatment for trade in natural gas is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of not greater than two years.

#### <u>ORDER</u>

Pursuant to section 3 of the NGA, it is ordered that:

A. ARC Resources is authorized to import 630 Bcf of natural gas from Canada, pursuant to transactions that have terms of not greater than two years. This authorization shall be effective for a two-year term that began on July 1, 2021, and extends through June 30, 2023.

B. This natural gas may be imported by pipeline at any point on the border between the United States and Canada.

C. **Monthly Reports:** With respect to the natural gas imports authorized by this Order, ARC Resources shall file with the Office of Regulation, Analysis, and Engagement, within 30 days following the last day of each calendar month, a report indicating whether imports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that month must be filed. If

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imports of natural gas have occurred, the report must give the following details: (1) the country of origin; (2) the point(s) of entry; (3) the volume in thousand cubic feet (Mcf); (4) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); (7) the estimated or actual duration of the supply agreement(s); and (8) the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

D. The first monthly report required by this Order is due not later than October 30, 2021, and should cover the reporting period from July 1, 2021, through September 30, 2021.

E. All monthly report filings on Form FE-746R shall be made to the U.S. Department of Energy (FE-34), Office of Fossil Energy and Carbon Management, Office of Regulation, Analysis, and Engagement, according to the methods of submission listed on the Form FE-746R reporting instructions available at <u>https://www.energy.gov/fe/services/natural-gas-regulation</u>.

F. ARC Resources' blanket authorization to import natural gas from Canada, granted in DOE/FE Order No. 4421 on August 16, 2019, is hereby vacated, effective July 1, 2021.

Issued in Washington, D.C., on September 13, 2021.

Amy R. Sweeney Director, Office of Regulation, Analysis, and Engagement Office of Resource Sustainability