UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

CRYOPEAK LNG SOLUTIONS CORPORATION)	DOCKET NO. 22-38-LNC
)	DOCKET NO. 21-22-NG
)	

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT AND EXPORT LIQUEFIED NATURAL GAS
FROM AND TO CANADA AND MEXICO BY TRUCK,
TO EXPORT LIQUEFIED NATURAL GAS TO CANADA AND MEXICO BY VESSEL,
TO IMPORT LIQUEFIED NATURAL GAS FROM VARIOUS
INTERNATIONAL SOURCES BY VESSEL, AND
VACATING PRIOR AUTHORIZATION

DOE/FECM ORDER NOS. 4825 AND 4668-B

I. DESCRIPTION OF REQUEST

On April 14, 2022, Cryopeak LNG Solutions Corporation (Cryopeak LNG Solutions) filed an application with the Office of Fossil Energy and Carbon Management (FECM) of the Department of Energy (DOE) under section 3(c) of the Natural Gas Act (NGA)¹ for blanket authorization to import and export liquefied natural gas (LNG) from and to Canada and Mexico by truck, to export LNG to Canada and Mexico by vessel, and to import LNG from various international sources by vessel, in a combined total volume equivalent to 20 billion cubic feet (Bcf) of natural gas.² The applicant requests the authorization be granted for a two-year term beginning on the date the Order is issued.³ Cryopeak LNG Solutions is a Canada corporation with its principal place of business in Richmond, British Columbia, Canada.

Previously, on February 26, 2021, DOE granted Cryopeak LNG Solutions authorization in DOE/FE Order No. 4668 (Order 4668) to import LNG from Mexico by truck, to export LNG to Canada and Mexico by truck, and to import LNG from various international sources by vessel, in a combined total volume equivalent to 2 Bcf of natural gas for a two-year term beginning on March 15, 2021, and extending through March 14, 2023. Subsequently, on July 1, 2022, Order 4668 was amended in DOE/FE Order No. 4668-A (Order 4668-A), to allow Cryopeak LNG Solutions to also import LNG from Canada by truck.

-

¹ 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.

² See Application; see also E-mail from DOE to Calum McClure, President, Cryopeak LNG Solutions Corporation (May 10, 2022); E-mail from Calum McClure, President, Cryopeak LNG Solutions Corporation, to DOE (May 11, 2022).

³ Cryopeak LNG Solutions' blanket authorization, granted in DOE/FE Order No. 4668, as amended by DOE/FE Order No. 4668-A, extends through March 14, 2023.

On April 13, 2022, Cryopeak LNG Solutions requested that DOE vacate its existing authorization in Order 4668, as amended by Order 4668-A, effective May 25, 2022.⁴

II. <u>FINDING</u>

The application has been evaluated to determine if the proposed import and export arrangements meet 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 Cryopeak LNG Solutions to import and export LNG from and to Canada and Mexico, nations with which a free trade agreement requiring national treatment for trade in natural gas is in effect, and to import LNG from various international sources by vessel, meets the section 3(c) criteria and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of not greater than two years.

ORDER

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

A. Cryopeak LNG Solutions is authorized to import and export LNG from and to Canada and Mexico by truck, to export LNG to Canada and Mexico by vessel, and to import LNG from various international sources by vessel, in a combined total volume equivalent to 20 Bcf of natural gas, pursuant to transactions that have terms of not greater than two years. This

⁴ See Application; see also E-mail from Calum McClure, President, Cryopeak LNG Solutions Corporation, to DOE (Apr. 13, 2022); E-mail from DOE to Calum McClure, President, Cryopeak LNG Solutions Corporation (May 10, 2022); E-mail from Calum McClure, President, Cryopeak LNG Solutions Corporation, to DOE (May 11, 2022).

authorization shall be effective for a two-year term beginning on May 25, 2022, and extending through May 24, 2024.

B. This LNG may be imported by truck from Canada and Mexico to any LNG receiving facility in the United States and its territories. This LNG may be exported by truck to Canada and Mexico from any departure facility in the United States and its territories.

C. This LNG may be imported by vessel at any LNG receiving facility in the United States and its territories. This LNG may be exported by vessel from any export LNG terminal in the United States and its territories to any receiving facility in Canada and Mexico.

D. LNG imports that require increased security measures from the United States Coast Guard (USCG) and/or other branches of the Department of Homeland Security in place now or added in the future shall comply with those measures on a shipment-by-shipment basis to the satisfaction of the USCG. Such measures may include periodic boarding or examination of the vessel by the USCG at the load port, while the vessel is underway, at any time during the voyage, and before and during discharge of the cargo while at the discharge port, as well as other enhanced security measures.

E. **Monthly Reports:** With respect to the imports and exports of LNG authorized by this Order, Cryopeak LNG Solutions shall file with the Office of Regulation, Analysis, and Engagement, within 30 days following the last day of each calendar month, a report on Form FE-746R indicating whether imports and/or exports have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports and/or exports have been made, a report of "no activity" for that month must be filed. If imports and/or exports have occurred, the report must provide the information specified for each applicable activity and mode of

transportation, as set forth in the Guidelines for Filing Monthly Reports. These Guidelines are available at: https://www.energy.gov/fecm/guidelines-filing-monthly-reports.

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

F. The first monthly report required by this Order is due not later than June 30, 2022, and should cover the reporting period from May 25, 2022, through May 31, 2022.

G. Cryopeak LNG Solutions' blanket authorization to export natural gas to Canada, to import and export LNG from and to Canada and Mexico by truck, and to import LNG from various international sources by vessel, granted in DOE/FE Order No. 4668 on February 26, 2021, and amended by DOE/FE Order No. 4668-A on July 1, 2021, is hereby vacated, effective May 25, 2022.

Issued in Washington, D.C., on May 25, 2022.

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