

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

PUGET SOUND ENERGY, INC.

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FE DOCKET NO. 17-149-NG
FE DOCKET NO. 17-24-NG

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

DOE/FE ORDER NOS. 4131 AND 4002-A

JANUARY 4, 2018

I. DESCRIPTION OF REQUEST

On November 27, 2017, Puget Sound Energy, Inc. (PSE) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA)¹ for blanket authorization to import and export up to a combined total of 300 billion cubic feet (Bcf) of natural gas from and to Canada via pipeline.² The applicant requests the authorization be granted for a two-year term beginning on March 1, 2018.³ PSE is a Washington corporation with its principal place of business in Bellevue, Washington.

Previously, on March 17, 2017, PSE was granted authorization in DOE/FE Order No. 4002 to import and export natural gas from and to Canada for a two-year term beginning on March 17, 2017, and extending through March 16, 2019. On December 12, 2017, PSE informed DOE that it wishes to increase its authorized volume from the 200 Bcf combined volume set forth in DOE/FE Order No. 4002 to 300 Bcf. PSE additionally requested that its existing authorization in DOE/FE Order No. 4002 be vacated, effective March 1, 2018.⁴

II. FINDING

The Application has been evaluated to determine if the proposed import and/or export 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

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 FE in Redelegation Order No. 00-006.02 issued on November 17, 2014.

² In its application, PSE requested authorization to import and export 3.00 Bcf of natural gas from and to Canada. On December 12, 2017, PSE requested via email to amend its application to request authorization to import and export 300 Bcf of natural gas from and to Canada.

³ PSE's blanket authorization to import and export natural gas from and to Canada, and vacating prior authorization, granted in DOE/FE Order No. 4002 on March 17, 2017, extends through March 16, 2019.

⁴ On December 12, 2017, PSE requested via email to vacate DOE/FE Order No. 4002 effective March 1, 2018.

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 PSE to import and export natural gas from and to 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 no longer than two years.

ORDER

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

A. PSE is authorized to import and export up to a combined total of 300 Bcf of natural gas from and to Canada, pursuant to transactions that have terms of no longer than two years.

This authorization shall be effective for a two-year term beginning on March 1, 2018, and extending through February 29, 2020.

C. This natural gas may be imported and exported via pipeline at any point on the border between the United States and Canada.

D. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, PSE shall file with the Office of Regulation and International Engagement, within 30 days following the last day of each calendar month, a report indicating whether imports or exports of natural gas 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 of natural gas have occurred, the report must give the following details: (1) for imports, the country of origin; (2) for exports, the country of destination; (3) the point(s) of entry and exit; (4) the volume in thousand cubic feet (Mcf); (5) the average purchase price of gas per million British thermal units (MMBtu) at the international

border; (6) the name of the supplier(s); (7) the name of the U.S. transporter(s); (8) the estimated or actual duration of the supply agreement(s); and (9) for imports, the geographic markets 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)

E. The first monthly report required by this Order is due not later than April 30, 2018, and should cover the reporting period from March 1, 2018, through March 31, 2018.

F. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Regulation and International Engagement, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Natural Gas Reports. Alternatively, reports may be e-mailed to ngreports@hq.doe.gov, or may be faxed to Natural Gas Reports at (202) 586-6050.

G. PSE's blanket authorization to import and export natural gas to and from Canada, granted in DOE/FE Order No. 4002 on March 17, 2017, is hereby vacated effective March 1, 2018.

Issued in Washington, D.C., on January 4, 2018.

Robert J. Smith
Deputy Assistant Secretary for Oil and Natural Gas (Acting)