

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

POWEREX CORP.

)
)
)
)
FE DOCKET NO. 18-37-NG
FE DOCKET NO. 16-170-NG

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

DOE/FE ORDER NOS. 4173 AND 3938-A

APRIL 20, 2018

I. DESCRIPTION OF REQUEST

On March 29, 2018, Powerex Corp. (Powerex) 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 130 billion cubic feet (Bcf) of natural gas from and to Canada and Mexico via pipeline. The applicant requests the authorization be granted for a two-year term beginning on the date the Order is issued. Powerex is a Canadian corporation with its principal place of business in Vancouver, Canada.

Previously, on November 28, 2016, Powerex was granted authorization in DOE/FE Order No. 3938 to import and export up to a combined total of 60 Bcf of natural gas from and to Canada and Mexico for a two-year term beginning on March 1, 2017, and extending through February 28, 2019. On March 29, 2018, Powerex requested that DOE/FE vacate its existing authorization in DOE/FE Order No. 3938, effective the date the proposed Order is issued.²

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 the import of LNG from other international sources are deemed to be consistent with the public

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 See e-mail from Clarke Lind, Energy Trade Policy Analyst, Powerex, to DOE/FE (March 29, 2018).

interest, and applications for such imports and exports, must be granted without modification or delay. The authorization sought by Powerex to import and export natural gas from and to Canada and Mexico, nations with which free trade agreements requiring national treatment for trade in natural gas are 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. Powerex is authorized to import and export up to a combined total of 130 Bcf of natural gas from and to Canada and Mexico, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term beginning on April 20, 2018, and extending through April 19, 2020.

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

D. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, Powerex 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 May 30, 2018, and should cover the reporting period from April 20, 2018, through April 30, 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. Powerex's blanket authorization to import and export natural gas from and to Canada and Mexico, granted in DOE/FE Order No. 3938 on November 28, 2016, is hereby vacated effective April 20, 2018.

Issued in Washington, D.C., on April 20, 2018.



Amy R. Sweeney
Director, Division of Natural Gas Regulation