

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

FERUS NATURAL GAS FUELS (CNG), LLC

)
) FE DOCKET NO. 18-62-CNG
) FE DOCKET NO. 16-169-NG
)

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

DOE/FE ORDER NO. 4196

MAY 29, 2018

I. DESCRIPTION OF REQUEST

On May 15, 2018, Ferus Natural Gas Fuels (CNG), LLC (Ferus Natural Gas Fuels) 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 compressed natural gas (CNG) by truck from and to Canada, up to a combined total equivalent to 1 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on March 19, 2018.² Ferus Natural Gas Fuels is a Delaware limited liability company with its principal place of business in Williston, North Dakota.

Previously, on November 28, 2016, Ferus Natural Gas Fuels was granted authorization in DOE/FE Order No. 3944 to import and export up to a combined total of 5 Bcf of natural gas from and to Canada for a two-year term beginning on December 31, 2016, and extending through December 30, 2018. On May 12, 2018, Ferus Natural Gas Fuels requested that DOE/FE vacate its existing authorization in DOE/FE Order No. 3944, effective as of March 19, 2018.³

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

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 E-mail from Jeremy Austin-Evelyn, Corporate Development, Ferus Natural Gas Fuels, to DOE/FE (May 15, 2018).

³ E-mail from Gus Lu, Associate General Counsel, Ferus Natural Gas Fuels, to DOE/FE (May 12, 2018) (requesting DOE/FE vacate DOE/FE Order No. 3944); e-mail from Jeremy Austin-Evelyn, Corporate Development, Ferus Natural Gas Fuels, to DOE/FE (May 15, 2018) (clarifying that Ferus Natural Gas Fuels is requesting DOE/FE vacate DOE/FE Order No. 3944 effective March 19, 2018).

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. DOE/FE has determined that CNG falls within the statutory definition of natural gas. 15 U.S.C. § 717a (5); *see also* 10 C.F.R. § 500.2. The authorization sought by Ferus Natural Gas Fuels to import and export CNG 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. Ferus Natural Gas Fuels is authorized import and export CNG by truck from and to Canada, up to a combined total equivalent to 1 billion cubic feet (Bcf) of natural gas, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term which began on March 19, 2018, and extends through March 18, 2020.

B. This CNG may be imported and/or exported by truck at any point on the border between the United States and Canada.

C. **Monthly Reports:** With respect to the imports and exports of CNG authorized by this Order, Ferus Natural Gas Fuels 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 CNG 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 of CNG by truck have occurred, the report must give the following details of each CNG cargo: (1) the name of the U.S. receiving facility; (2) the country or origin; (3) the point(s) of entry; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the CNG transporter(s); (6) the volume amount in Mcf; (7) the price per MMBtu at the point(s) of entry; (8) the duration of the supply agreement; and (9) the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

If exports of CNG by truck have occurred, the report must give the following details of each CNG cargo: (1) the name of the U.S. departure facility; (2) the country of destination; (3) the point(s) of exit; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the CNG transporter(s); (6) the volume in Mcf; (7) the price per MMBtu at the point(s) of exit; and (8) the duration of the supply agreement.

(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 June 30, 2018, and should cover the reporting period from March 19, 2018 through May 31, 2018.

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

F. Ferus Natural Gas Fuels' blanket authorization to import and export natural gas from and to Canada, granted in DOE/FE Order No. 3944 on December 31, 2016, is hereby vacated effective March 19, 2018.

Issued in Washington, D.C., on May 29, 2018.

Amy R. Sweeney
Director, Division of Natural Gas Regulation