

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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TRANSCANADA PIPELINES LIMITED

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FE DOCKET NO. 18-96-NG

ORDER GRANTING LONG-TERM AUTHORIZATION  
TO IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA

DOE/FE ORDER NO. 4231

AUGUST 30, 2018

## I. BACKGROUND AND DESCRIPTION OF REQUEST

On August 8, 2018, TransCanada PipeLines Limited (TransCanada) filed an application (Application)<sup>1</sup> with the Office of Fossil Energy (FE) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA)<sup>2</sup> for long-term authorization to import and export up to a combined total volume of 159 billion cubic feet (Bcf) of natural gas per year from and to Canada via pipeline for a 3-year term commencing on November 1, 2018. TransCanada is a Canadian corporation with its principal place of business in Calgary, Alberta, Canada.

TransCanada proposes to import and export this natural gas from and to Canada pursuant to Transportation Service Agreements FT 16128 and FT17190 (Contracts)<sup>3</sup> with Great Lakes Transmission Limited Partnership (Great Lakes) as well as the terms and conditions of Great Lakes' Federal Energy Regulatory Commission (FERC) Gas Tariff (Tariff).<sup>4</sup> According to TransCanada, the Contracts and Tariff allow natural gas to enter the United States at the interconnection between the TransCanada Mainline system and the Great Lakes system at a point near St. Clair, Michigan and leave the United States at the international border near Emerson, Manitoba, and vice-versa.<sup>5</sup> TransCanada states that the requested authorization will not require the construction of new facilities or pipelines.<sup>6</sup>

## 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

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<sup>1</sup> TransCanada, Application of TransCanada PipeLines Limited for a Long Term Authorization to Import and Export Natural Gas from and to Canada, FE Docket No. 18-96-NG (Aug. 8, 2018) [hereinafter Application].

<sup>2</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 FE in Redelegation Order No. 00-006.02 issued on November 17, 2014.

<sup>3</sup> TransCanada filed the Transportation Agreements under seal as Appendices B & C to the Application.

<sup>4</sup> See Application at 4.

<sup>5</sup> *Id.*

<sup>6</sup> See *id.* at 5.

section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486). Under section 3(c) of the NGA, 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 or exports must be granted without modification or delay.<sup>7</sup> The authorization sought by TransCanada 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.

#### ORDER

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

A. TransCanada is authorized to import and export up to a combined total volume of 159 Bcf of natural gas per year from and to Canada, pursuant to the Contracts and Tariff described above. This authorization shall be effective for a three-year term beginning on November 1, 2018, and extending through October 31, 2021.

B. This natural gas may be imported and exported via pipeline at the interconnection between the TransCanada Mainline system and the Great Lakes system at a point near St. Clair, Michigan and Emerson, Manitoba, Canada.

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, TransCanada 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 or exports of natural gas have been made. Monthly reports must be filed whether or not

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<sup>7</sup> 15 U.S.C. § 717b(c).

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 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 December 30, 2018, and should cover the reporting period from November 1, 2018, through November 30, 2018.

E. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Oil and Natural Gas, Office of Regulation, Analysis, and 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](mailto:ngreports@hq.doe.gov), or may be faxed to Natural Gas Reports at (202) 586-6050.

Issued in Washington, D.C., on August 30, 2018.

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