

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

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EQUINOR NATURAL GAS LLC)	FE DOCKET NO. 18-160-NG
)	FE DOCKET NO. 18-101-LNG
_____)	FE DOCKET NO. 17-34-LNG

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

DOE/FE ORDER NOS. 4300
4236-A
4014-B

NOVEMBER 13, 2018

I. DESCRIPTION OF REQUEST

On October 17, 2018, Equinor Natural Gas LLC (Equinor Natural Gas) filed an application (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 natural gas from and to Canada and Mexico via pipeline, and to import liquefied natural gas (LNG) from various international sources by vessel, up to a total volume equivalent to 1,100 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on September 1, 2018.² Equinor Natural Gas is a Delaware limited liability company with its principal place of business in Stamford, Connecticut.

Previously, on September 5, 2018, DOE/FE granted Equinor Natural Gas blanket authorization in DOE/FE Order No. 4236 to import LNG from various international sources by vessel, and vacated Equinor Natural Gas' prior authorization granted in DOE/FE Order No. 4075.³ In addition, DOE/FE Order No. 4236 effected a name change from Statoil Natural Gas LLC (Statoil Natural Gas) to Equinor Natural Gas.

On April 17, 2017, DOE/FE granted Statoil Natural Gas blanket authorization in DOE/FE Order No. 4014 to import LNG from various international sources by vessel for a two-year term beginning on June 1, 2017, and extending through May 31, 2019.⁴ On May 25, 2017, in DOE/FE Order No. 4014-A, DOE/FE amended Statoil Natural Gas' blanket authorization in DOE/FE Order No. 4014, granting Statoil Natural Gas blanket authorization to export natural gas

¹ The 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 Email from Barbara Hicks, Equinor US Holdings Inc., to DOE/FE (November 6, 2018).

³ Equinor Natural Gas' blanket authorization to import LNG from various international sources by vessel, and DOE/FE's vacatur of Equinor Natural Gas' prior authorization, was granted in DOE/FE Order Nos. 4236 and 4075-A on September 5, 2018. Equinor Natural Gas's blanket authorization granted in DOE/FE Order No. 4236 extends through September 4, 2020.

⁴ Statoil Natural Gas' blanket authorization to import LNG from various international sources by vessel, granted in DOE/FE Order No. 4014 on April 17, 2017, extended through May 31, 2019. However, DOE/FE Order No. 4014-A, granted on May 25, 2017, supersedes DOE/FE Order No. 4014.

to Canada and Mexico, and to import LNG from various international sources by vessel;
DOE/FE Order No. 4014-A supersedes DOE/FE Order No. 4014.⁵

In its Application, Equinor Natural Gas seeks to consolidate the blanket authorizations granted by DOE/FE in DOE/FE Order Nos. 4236 and 4014-A into a single blanket authorization effective for two years from the date this Order is issued. Therefore, Equinor Natural Gas further requests that DOE/FE vacate its existing blanket authorizations in DOE/FE Order Nos. 4236 and 4014-A, effective September 1, 2018.⁶

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 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. The authorization sought by Equinor Natural Gas 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, 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 no longer than two years.

⁵ Statoil Natural Gas' blanket authorization to export natural gas from and to Canada and Mexico, and to import LNG from various international sources by vessel, granted in DOE/FE Order No. 4014-A on May 25, 2017, extends through May 31, 2019 and supersedes DOE/FE Order No. 4014. *See also* DOE/FE Order No. 4014-A n.2.

⁶ *See* Email from Barbara Hicks, Equinor US Holdings Inc., to DOE/FE (November 6, 2018).

ORDER

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

A. Equinor Natural Gas is authorized to import and export natural gas from and to Canada and Mexico, and to import LNG from various international sources by vessel, up to a total volume equivalent to 1,100 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 September 1, 2018, and extends through August 31, 2020.

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

C. This LNG may be imported at any LNG receiving facility in the United States and its territories.

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 natural gas imports and exports and the imports of LNG authorized by this Order, Equinor Natural Gas 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 and/or exports of natural gas and/or imports of LNG 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 market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

If imports of LNG by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. receiving terminal; (2) the name of the LNG tanker; (3) the date of arrival at the U.S. receiving terminal; (4) the country of origin; (5) the name of the supplier/seller; (6) the volume in Mcf; (7) the landed price per MMBtu at the point of import; (8) the duration of the supply agreement (indicate spot purchases); (9) the name(s) of the purchaser(s); and (10) the geographic market 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)

F. The first monthly report required by this Order is due not later than December 30, 2018, and should cover the reporting period from September 1, 2018 through November 30, 2018.

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

H. Equinor Natural Gas' blanket authorization to import LNG from various international sources by vessel, granted in DOE/FE Order No. 4236 on September 5, 2018, and Statoil Natural Gas' blanket authorization to export natural gas to Canada and Mexico, and to import LNG from various international sources by vessel, granted in DOE/FE Order No. 4014-A, on May 25, 2017, are hereby vacated effective September 1, 2018.

Issued in Washington, D.C., on November 13, 2018.

Amy R. Sweeney
Director, Division of Natural Gas Regulation