# UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

GABZA INTERNATIONAL GAS INC.	)	FE DOCKET NO. 19-93-LNG

## ORDER GRANTING BLANKET AUTHORIZATION TO EXPORT LIQUEFIED NATURAL GAS TO MEXICO BY TRUCK

DOE/FE ORDER NO. 4423

**SEPTEMBER 3, 2019** 

#### I. <u>DESCRIPTION OF REQUEST</u>

On July 19, 2019, Gabza International Gas Inc. (Gabza International Gas) filed an application with the Office of Fossil Energy (FE) of the Department of Energy under section 3 of the Natural Gas Act (NGA)<sup>1</sup> for blanket authorization to export liquefied natural gas (LNG) to Mexico by truck, up to a total volume equivalent to 800 billion cubic feet (Bcf) of natural gas. The applicant requested the authorization be granted for a two-year term beginning on August 1, 2019. Gabza International Gas is a Texas corporation with its principal place of business in El Paso, Texas.

### II. FINDING

The application has been evaluated to determine if the proposed 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 and exports must be granted without modification or delay. The authorization sought by Gabza International Gas to export LNG to Mexico, 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.

<sup>&</sup>lt;sup>1</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. 00-002.04G issued on June 4, 2019.

#### ORDER

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

- A. Gabza International Gas is authorized to export LNG, up to a total volume equivalent to 800 Bcf of natural gas, to Mexico by truck 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 August 1, 2019, and extends through July 31, 2021.
- B. This LNG may be exported by truck at any point on the border between the United States and Mexico.
- C. This LNG may be exported by truck from any LNG loading facility in the United States and its territories.
- D. **Monthly Reports:** With respect to the natural gas exports authorized by this Order, Gabza International 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 exports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no exports have been made, a report of "no activity" for that month must be filed.

If exports of LNG by truck have occurred, the report must give the following details of each LNG 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 LNG transporter(s); (6) the volume in thousand cubic feet (Mcf); (7) the delivered price per million British thermal units (MMBtu) at the point of exit; and (8) the duration of the supply agreement. (Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

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D. The first monthly report required by this Order is due not later than September 30,

2019, and should cover the reporting period from August 1, 2019, through August 31, 2019.

E. All monthly report filings on Form FE-746R shall be made to the U.S. Department of

Energy (FE-34), Office of Fossil Energy, Office of Regulation, Analysis, and Engagement,

according to the methods of submission listed on the Form FE-746R reporting instructions

available at <a href="https://www.energy.gov/fe/services/natural-gas-regulation">https://www.energy.gov/fe/services/natural-gas-regulation</a>.

Issued in Washington, D.C., on September 3, 2019.

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Amy R. Sweeney

Director, Office of Regulation, Analysis, and Engagement

Office of Oil and Natural Gas