

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

MERCURIA ENERGY AMERICA, LLC

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FE DOCKET NO. 20-1-NG
FE DOCKET NO. 18-54-NG

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

DOE/FE ORDER NOS. 4495 AND 4188-A

JANUARY 30, 2020

I. DESCRIPTION OF REQUEST

On January 2, 2020, Mercuria Energy America, LLC (Mercuria Energy America) 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 a combined total of 500 billion cubic feet (Bcf) of natural gas from and to Canada and Mexico by pipeline. The applicant requests the authorization be granted for a two-year term that began on January 1, 2020.² Mercuria Energy America is a Delaware limited liability company with its principal place of business in Houston, Texas.

Previously, on May 21, 2018, Mercuria Energy America Inc. was granted authorization in DOE/FE Order No. 4188 to import and export a combined total of 500 Bcf of natural gas from and to Canada and Mexico for a two-year term beginning on June 30, 2018, and extending through June 29, 2020. Mercuria Energy America was previously known as Mercuria Energy America, Inc.

On January 2, 2020, DOE/FE was notified that Mercuria Energy America, Inc. changed its corporate name to Mercuria Energy America, effective January 1, 2020. Additionally, on January 2, 2020, Mercuria Energy America requested that DOE/FE vacate its existing authorization in DOE/FE Order No. 4188, effective on January 1, 2020.³

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 Redefinition Order No. 00-002.04G issued on June 4, 2019.

² Mercuria Energy America, Inc.'s current blanket authorization to import and export natural gas from and to Canada and Mexico, granted in DOE/FE Order No. 4188 on May 21, 2018, extends through June 29, 2020. *See* email from Stephen Conneely, Compliance Manager, Mercuria Energy America, to DOE/FE (Jan. 13, 2020).

³ *See* Application and e-mail from Stephen Conneely, Compliance Manager, Mercuria Energy America, to DOE/FE (Jan. 2, 2020).

II. FINDING

The application has been evaluated to determine if the proposed import and 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 interest, and applications for such imports and exports must be granted without modification or delay. The authorization sought by Mercuria Energy America 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 not greater than two years.

ORDER

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

A. Mercuria Energy America is authorized to import and export a combined total of 500 Bcf of natural gas from and to Canada and Mexico, pursuant to transactions that have terms of not greater than two years. This authorization shall be effective for a two-year term that began on January 1, 2020, and extends through December 31, 2021.

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. Monthly Reports: With respect to the natural gas imports and exports authorized by this Order, Mercuria Energy America 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 initial deliveries have begun. If no imports or exports have been made, a report of “no activity” for that month must be filed. If imports 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); (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 February 28, 2020, and should cover the reporting period from January 1, 2020 through January 31, 2020.

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 <https://www.energy.gov/fe/services/natural-gas-regulation>.

F. Mercuria Energy America's blanket authorization to import and export natural gas from and to Canada and Mexico, granted in DOE/FE Order No. 4188 on May 21, 2018, is hereby vacated, effective January 1, 2020.

Issued in Washington, D.C., on January 30, 2020.

A handwritten signature in black ink, appearing to read "Amy R. Sweeney". The signature is fluid and cursive, with a long horizontal stroke at the end.

Amy R. Sweeney
Director, Office of Regulation, Analysis, and Engagement
Office of Oil and Natural Gas