

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

PHILLIPS 66 COMPANY

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FE DOCKET NO. 20-10-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 4501

FEBRUARY 13, 2020

I. DESCRIPTION OF REQUEST

On January 28, 2020, Phillips 66 Company (Phillips 66) 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 14 billion cubic feet (Bcf) of natural gas from Canada by pipeline. The applicant requests the authorization be granted for a two-year term beginning on May 1, 2020.² Phillips 66 is a Delaware corporation with its principal place of business in Houston, Texas.

II. FINDING

The application has been evaluated to determine if the proposed import 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 Phillips 66 to import natural gas from 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 not greater than two years.

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 Phillips 66's blanket authorization to import natural gas from Canada, granted in DOE/FE Order No. 4148 on January 26, 2018, extends through April 30, 2020.

ORDER

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

A. Phillips 66 is authorized to import 14 Bcf of natural gas from Canada, pursuant to transactions that have terms of not greater than two years. This authorization shall be effective for a two-year term beginning on May 1, 2020, and extending through April 30, 2022.

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

C. **Monthly Reports:** With respect to the natural gas imports authorized by this Order, Phillips 66 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 of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of “no activity” for that month must be filed. If imports of natural gas have occurred, the report must give the following details: (1) the country of origin; (2) the point(s) of entry; (3) the volume in thousand cubic feet (Mcf); (4) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); (7) the estimated or actual duration of the supply agreement(s); and (8) 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 June 30, 2020, and should cover the reporting period from May 1, 2020, through May 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>.

Issued in Washington, D.C., on February 13, 2020.

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