



## I. DESCRIPTION OF REQUEST

On April 15, 2020, Pilot Power Group, LLC (Pilot Power Group) 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)<sup>1</sup> for blanket authorization to import and export a combined total of 400 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 March 17, 2020.<sup>2</sup> Pilot Power Group is a California limited liability company with its principal place of business in San Diego, California.

Previously, on March 11, 2019, Pilot Power Group, Inc. was granted authorization in DOE/FE Order No. 4351 to import and export a combined total of 400 Bcf of natural gas from and to Canada and Mexico for a two-year term beginning on April 9, 2019, and extending through April 8, 2021. Pilot Power Group was previously known as Pilot Power Group, Inc.

On April 8, 2020, DOE/FE was notified that Pilot Power Group, Inc. changed its corporate name to Pilot Power Group, LLC, effective March 17, 2020.<sup>3</sup> Additionally, on April 20, 2020, Pilot Power Group requested that DOE/FE vacate its existing authorization in DOE/FE Order No. 4351, effective on March 17, 2020.<sup>4</sup>

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

<sup>2</sup> Pilot Power Group, Inc.'s blanket authorization to import and export natural gas from and to Canada and Mexico, granted in DOE/FE Order No. 4351 on March 11, 2019, extends through April 8, 2021.

<sup>3</sup> See e-mail from Angela Gregory, Regulatory Affairs, Pilot Power Group, to DOE/FE (Apr. 8, 2020).

<sup>4</sup> See e-mail from Angela Gregory, Regulatory Affairs, Pilot Power Group, to DOE/FE (Apr. 20, 2020).

## II. FINDING

The application has been evaluated to determine if the proposed import and export arrangements meet 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 Pilot Power Group 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. Pilot Power Group is authorized to import and export a combined total of 400 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 March 17, 2020, and extends through March 16, 2022.

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, Pilot Power Group 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 May 30, 2020, and should cover the reporting period from March 17, 2020 through April 30, 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. Pilot Power Group, Inc.'s blanket authorization to import and export natural gas from and to Canada and Mexico, granted in DOE/FE Order No. 4351 on March 11, 2019, is hereby vacated, effective March 17, 2020.

Issued in Washington, D.C., on April 27, 2020.

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Director, Office of Regulation, Analysis, and Engagement  
Office of Oil and Natural Gas