

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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SOUTHWEST ENERGY, L.P.  
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FE DOCKET NO. 20-51-NG

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

DOE/FE ORDER NO. 4549

JUNE 16, 2020

## I. DESCRIPTION OF REQUEST

On May 13, 2020, Southwest Energy, L.P. (Southwest Energy) 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 20 billion cubic feet (Bcf)<sup>2</sup> of natural gas from and to Canada and Mexico by pipeline. The applicant requests the authorization be granted for a two-year term beginning on July 22, 2020.<sup>3</sup> Southwest Energy is a Texas limited partnership with its principal place of business in Houston, Texas.

## 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 Southwest Energy to import and export natural gas from and to Canada and Mexico, nations with which free trade agreements requiring national treatment for

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

<sup>2</sup> See email from Darren Edwards, Vice President, Finance & Credit, Southwest Energy, L.P. to DOE/FE (May 27, 2020).

<sup>3</sup> Southwest Energy's current blanket authorization to import and export natural gas from and to Canada and Mexico, granted in DOE/FE Order No. 4198 on June 8, 2018, extends through July 21, 2020.

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. Southwest Energy is authorized to import and export a combined total of 20 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 beginning on July 22, 2020, and extending through July 21, 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, Southwest Energy 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); and (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 August 30, 2020, and should cover the reporting period from July 22, 2020 through July 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 June 16, 2020.

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