

I. DESCRIPTION OF REQUEST

On June 8, 2020, Producción de Energía Mexicana, S. de R.L. de C.V. (Producción de Energía Mexicana)¹ filed an application with the Office of Fossil Energy (FE) of the Department of Energy under section 3 of the Natural Gas Act (NGA)² for blanket authorization to export 36 billion cubic feet (Bcf) of natural gas to Mexico by pipeline. The applicant requests the authorization be granted for a two-year term beginning on the date the Order is issued.

Producción de Energía Mexicana is a Mexico limited liability company with its principal place of business in Mexico City, Distrito Federal, Mexico.

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 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 or exports must be granted without modification or delay. The authorization sought by Producción de Energía Mexicana to export natural gas 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 not greater than two years.

¹ See from Anna R. Kuperstein, Legal Counsel, TC Energy, to DOE/FE (Jun. 17, 2020).

² 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. Producción de Energía Mexicana is authorized to export 36 Bcf of natural gas to 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 June 24, 2020, and extending through June 23, 2022.

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

C. **Monthly Reports:** With respect to the natural gas exports authorized by this Order, Producción de Energía Mexicana 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 natural gas have occurred, the report must give the following details: (1) the country of destination; (2) the point(s) of exit; (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); and (7) the estimated or actual duration of the supply agreement(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 July 30, 2020, and should cover the reporting period from June 24, 2020, through June 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>.

Issued in Washington, D.C., on June 24, 2020.

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Office of Oil and Natural Gas