UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.

FE DOCKET NOS. 20-70-NG 19-19-NG 18-68-NG

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

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DOE/FE ORDER NOS. 4561 4353-A 4203-A

JULY 13, 2020

## I. <u>DESCRIPTION OF REQUEST</u>

On June 24, 2020, Liberty Utilities (St. Lawrence Gas) Corp. (Liberty Utilities (St. Lawrence Gas)) 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 20 billion cubic feet (Bcf) of natural gas from Canada, and to export 3 Bcf of natural gas to Canada by pipeline. The applicant requests the authorization be granted for a two-year term that began on November 19, 2019.<sup>2</sup> Liberty Utilities (St. Lawrence Gas) is a New York corporation with its principal place of business in Massena, New York.

Previously, on June 29, 2018, St. Lawrence Gas Company, Inc. (St. Lawrence Gas), the predecessor to Liberty Utilities (St. Lawrence Gas), was granted authorization in DOE/FE Order No. 4203 to import up to 18 Bcf of natural gas from Canada for a two-year term beginning on July 26, 2018, and extending through July 25, 2020.

On March 11, 2019, St. Lawrence Gas was granted authorization in DOE/FE Order 4353 to export up to 3 Bcf of natural gas to Canada for a two-year term beginning on April 3, 2019, and extending through April 2, 2021.

On June 24, 2020, DOE/FE was notified that St. Lawrence Gas changed its corporate name to Liberty Utilities (St. Lawrence Gas), effective November 1, 2019. Additionally, on June

<sup>&</sup>lt;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>&</sup>lt;sup>2</sup> Liberty Utilities' (St. Lawrence Gas), blanket authorizations to import natural gas from and to Canada, granted in DOE/FE Order Nos. 4203 and 4353 on June 29, 2018 and March 11, 2019, extends through July 25, 2020 and through April 8, 2021, respectively; *See also* email from Mark Saltsman, Vice President and General Manager, Liberty Utilities (St. Lawrence Gas), to DOE/FE (Jun. 29, 2020).

24, 2020, Liberty Utilities (St. Lawrence) requested that DOE/FE vacate its existing authorization in DOE/FE Order Nos. 4203 and 4353, effective on November 1, 2019.<sup>3</sup>

## II. <u>FINDING</u>

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 Liberty Utilities (St. Lawrence Gas) to import and export natural gas from and to 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.

## <u>ORDER</u>

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

A. Liberty Utilities (St. Lawrence Gas) is authorized to import 20 Bcf of natural gas from Canada, and to export 3 Bcf of natural gas to Canada, 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 November 1, 2019, and extends through October 31, 2021.

<sup>&</sup>lt;sup>3</sup> See Application; See also e-mail from Brian J. Plunkett, Counsel, Eversheds-Sutherland (US) LLP, to DOE/FE (Jun. 24, 2020) and email from Mark Saltsman, Vice President and General Manager, Liberty Utilities (St. Lawrence Gas), to DOE/FE (Jun. 29, 2020).

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

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, Liberty Utilities (St. Lawrence Gas) 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 November 19, 2019, 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 <a href="https://www.energy.gov/fe/services/natural-gas-regulation">https://www.energy.gov/fe/services/natural-gas-regulation</a>.

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F. St. Lawrence Gas's blanket authorizations to import natural gas from Canada, granted in DOE/FE Order No. 4203 on June 29, 2018, and to export natural gas to Canada, granted 4353 on March 11, 2019, are hereby vacated, effective November 1, 2019.

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

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