

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
TOTAL GAS & POWER NORTH AMERICA, INC.) FE DOCKET NO. 10-163-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS FROM AND TO
CANADA AND MEXICO, AND TO IMPORT LIQUEFIED
NATURAL GAS FROM VARIOUS INTERNATIONAL SOURCES BY VESSEL

DOE/FE ORDER NO. 2901

JANUARY 11, 2011

I. DESCRIPTION OF REQUEST

On December 28, 2010, Total Gas & Power North America, Inc. (TGPNA) filed an application with the Office of Fossil Energy (FE) of the Department of Energy under section 3 of the Natural Gas Act (NGA)¹ for blanket authorization to import up to 100 billion cubic feet (Bcf) of natural gas from Canada and to export up to 100 Bcf of natural gas to Canada. TGPNA also requests authority to import up to 100 Bcf of natural gas from Mexico and to export up to 100 Bcf of natural gas to Mexico. Furthermore, TGPNA requests authority to import liquefied natural gas (LNG) up to the equivalent of 365 Bcf of natural gas from various international sources by vessel. The applicant requests the authorization be granted for a two-year term beginning on February 22, 2011.² TGPNA 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 and 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 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 must be granted without modification or delay. The authorization sought by TGPNA to import and export natural gas from and to Canada and Mexico, and to import LNG from various

¹/ The 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. 00-002.04D issued on November 6, 2007.

²/ TGPNA's blanket authorization to import and export natural gas from and to Canada and Mexico and to import LNG from various international sources granted in DOE/FE Order No. 2598 on December 24, 2008 and amended by DOE/FE Order No. 2598-A on January 19, 2010, extends through February 21, 2011.

international sources, meets the section 3(c) criteria and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of no longer than two years.

ORDER

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

A. TGPNA is authorized to import up to 100 Bcf of natural gas from Canada, export up to 100 Bcf of natural gas to Canada, import up to 100 Bcf of natural gas from Mexico, and to export up to 100 Bcf of natural gas to Mexico. TGPNA is also authorized to import LNG up to the equivalent of 365 Bcf of natural gas from various international sources by vessel. These authorized imports and exports shall be pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term beginning on February 22, 2011, and extending through February 21, 2013.

B. This natural gas may be imported and exported at any point on the borders between the United States and Canada, and between the United States and Mexico.

C. This LNG may be imported by vessel to any LNG receiving facility in the United States and its territories.

D. LNG imports that require increased security measures from the United States Coast Guard (USCG) and/or other branches of the Department of Homeland Security in place now or added in the future shall comply with those measures on a shipment by shipment basis to the satisfaction of the USCG. Such measures may include periodic boarding or examination of the vessel by the USCG at the load port, while the vessel is underway, at any time during the voyage, and before and during discharge of the cargo while at the discharge port, as well as other enhanced security measures.

E. Monthly Reports: With respect to the natural gas imports and exports, and the imports of LNG authorized by this Order, TGPNA shall file with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar month, a report indicating whether imports and/or exports of natural gas or LNG have been made. Monthly reports shall be filed whether or not initial deliveries have begun. If imports and/or exports have not occurred, a report of “no activity” for that month must be filed. If imports and/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)).

If imports of LNG by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. receiving terminal; (2) the name of the LNG tanker; (3) the date of arrival at the U.S. receiving terminal; (4) the country of origin; (5) the name of the supplier/seller; (6) the volume in Mcf; (7) the landed price per MMBtu at the point of import; (8) the duration of the supply agreement (indicate spot purchases); (9) the name(s) of the purchaser(s); and (10) the geographic market 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)

F. The first monthly report required by this Order is due not later than March 30, 2011, and should cover the reporting period from February 22, 2011, through February 28, 2011.

G. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Natural Gas Regulatory Activities, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Ms. Yvonne Caudillo. Alternatively, reports may be e-mailed to Ms. Caudillo at Yvonne.caudillo@hq.doe.gov or ngreports@hq.doe.gov, or may be faxed to Ms. Caudillo at (202) 586-6050.

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