

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

LNG PARTNERS, LLC

FE DOCKET NO. 09-30-NG

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

DOE/FE ORDER NO. 2634

APRIL 23, 2009

I. DESCRIPTION OF REQUEST

On April 13, 2009, LNG Partners, LLC (LNG Partners) 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),¹ for blanket authorization to import and export liquefied natural gas (LNG) from and to Canada and Mexico, to import LNG from various international sources, and to import natural gas from Mexico up to a combined total of the equivalent of 165 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on May 8, 2009.² LNG Partners 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 LNG Partners to import and export LNG from and to Canada and Mexico, to import LNG from various international sources, and to import natural gas from Mexico meets the section 3(c) criterion and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of no longer than two years.

¹/ 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for FE pursuant to Redlegation Order No. 00.002.04D (November 6, 2007).

²/ LNG Partners was granted blanket authorization to import liquefied natural gas from various international sources in DOE/FE Order No. 2348 on May 8, 2007, which extends through May 7, 2009 (2 FE ¶ 71,442).

ORDER

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

A. LNG Partners is authorized to import and export LNG from and to Canada and Mexico, to import LNG from various international sources, and to import natural gas from Mexico, up to a combined total of the equivalent of 165 Bcf of natural gas, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term beginning on May 8, 2009, and extending through May 7, 2011.

B. This LNG may be imported and exported at any point on the border between the United States and Canada, and between the United States and Mexico. This LNG may also be imported at any LNG receiving facility in the United States and its territories.

C. This natural gas may be imported at any point on the border between the United States and Mexico.

D. **Monthly Reports:** With respect to the import and export of LNG, and the import of natural gas authorized by this Order, LNG Partners 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 or exports of LNG or imports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that month must be filed. If imports of LNG by truck have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. receiving facility; (2) the country of origin; (3) the point(s) of entry; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the LNG transporter(s); (6) the volume in thousand cubic feet (Mcf); (7) the landed price per million British thermal units (MMBtu) at the point of entry; (8) the duration of the supply agreement; (9) the geographic

market served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

[OMB No. 1901-0294]

If exports of LNG by truck have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. departure facility; (2) the country of destination; (3) the point(s) of exit; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the LNG transporter(s); (6) the volume in Mcf; (7) the delivered price per MMBtu at the point of exit; (8) the duration of the supply agreement. [OMB No. 1901-0294]

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(s) of the supplier(s)/seller(s); (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)). [OMB No. 1901-0294]

If imports of natural gas have occurred, the report must give the following details: (1) the country of origin; (2) the point(s) of entry; (3) the volume in Mcf; (4) the average purchase price of gas per MMBtu at the international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); (7) the estimated or actual duration of the supply agreement(s); and (8) the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

E. The first monthly report required by this Order is due not later than June 30, 2009, and should cover the reporting period from May 8, 2009 through May 31, 2009.

F. 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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