

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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CONOCOPHILLIPS COMPANY

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FE DOCKET NO. 11-78-LNG

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

DOE/FE ORDER NO. 2978

JULY 8, 2011

## I. DESCRIPTION OF REQUEST

On June 20, 2011, ConocoPhillips Company (ConocoPhillips) 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 export liquefied natural gas (LNG) to Canada and Mexico by vessel, and to import LNG from various international sources by vessel, up to a combined total of the equivalent of 500 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on August 30, 2011.<sup>2</sup> ConocoPhillips 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 ConocoPhillips to export LNG to Canada and Mexico by vessel, nations with which a free trade agreement is in effect, and to import LNG from various international sources by vessel, meets the section 3(c) criterion and,

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<sup>1</sup>/ 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 Redelegation Order No. 00-002.04E issued on April 29, 2011.

<sup>2</sup>/ ConocoPhillips' blanket authorization to export LNG to Canada and Mexico, and to import LNG from various international sources, granted in DOE/FE Order No. 2673 on July 24, 2009, extends through August 29, 2011.

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. ConocoPhillips is authorized to export LNG to Canada and Mexico by vessel, and to import LNG from various international sources by vessel, up to a combined total of the equivalent of 500 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 August 30, 2011, and extending through August 29, 2013.

B. This LNG may be exported by vessel from any LNG loading facility in the United States and its territories. This LNG may also be imported at any LNG receiving facility in the United States and its territories.

C. 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.

D. **Monthly Reports:** With respect to the import and export of LNG authorized by this Order, ConocoPhillips 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 or exports have been made, a report of “no activity” for that month must be filed. If exports of LNG by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. export terminal; (2) the country of destination; (3) the date of departure from the U.S. export terminal; (4) the point(s) of exit; (5) the name(s) of the supplier(s)/seller(s); (6) the name(s) of the LNG tankers; (7) the volume in Mcf; (8) the price per MMBtu at the point of exit; (9) the name(s) of the purchaser(s); and (10) the duration of the supply agreement.

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)).

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

E. The first monthly report required by this Order is due not later than October 30, 2011, and should cover the reporting period from August 30, 2011, through September 30, 2011.

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](mailto:Yvonne.caudillo@hq.doe.gov) or [ngreports@hq.doe.gov](mailto:ngreports@hq.doe.gov), or may be faxed to Ms. Caudillo at (202) 586-6050.

Issued in Washington, D.C., on July 8, 2011.

A handwritten signature in black ink, appearing to read "John A. Anderson", written over a horizontal line.

John A. Anderson  
Manager, Natural Gas Regulatory Activities  
Office of Oil and Gas Global Security and Supply  
Office of Fossil Energy