UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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CONSOLIDATED EDISON COMPANY OF NEW YORK, INC. AND ORANGE AND ROCKLAND ) FE DOCKET NO. 12-128-NG UTILITIES, INC.

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

DOE/FE ORDER NO. 3190

NOVEMBER 13, 2012

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

On September 27, 2012, Consolidated Edison Company of New York, Inc. and Orange and Rockland Utilities, Inc. (ConEdison and O&R) 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 and export up to 40 billion cubic feet (Bcf) of natural gas from and to Canada. The applicants request the authorization be granted for a twoyear term beginning on November 1, 2012. ConEdison is a New York corporation with its principal place of business in New York, New York, and O&R is a New York corporation with its principal place of business in Pearl River, New York.

Additionally, on December 21, 2010, ConEdison and O&R were granted authorization to import and export natural gas from and to Canada in DOE/FE Order No. 2894, with ConEdison acting as agent for O&R in the reporting requirements to FE. On October 1, 2012, DOE was notified that ConEdison and O&R would jointly file an authorization to import and export natural gas from and to Canada. As a result, the proposed authorization supersedes DOE/FE Order No. 2894. Therefore, ConEdison and O&R request that DOE/FE Order No. 2894 be vacated, effective November 1, 2012.

## II. FINDING

The application has been evaluated to determine if the proposed import 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

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 $<sup>\</sup>underline{1}$ / 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 Redelegation Order No. 00-002.04E issued on April 29, 2011.

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 ConEdison and O&R to import and export natural gas from and to Canada, a nation with which a free trade agreement is in effect, 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.

## <u>ORDER</u>

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

A. ConEdison and O&R are authorized to import and export up to a combined total of 40 Bcf of natural gas from and to Canada, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term which began on November 1, 2012, and extends through October 31, 2014.

B. This natural gas may be imported and exported 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, ConEdison and O&R 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 natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports and/or exports have been made, 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 markets(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 December 30, 2012, and should cover the reporting period from November 1, 2012, through November 30, 2012.

E. 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 <u>Yvonne.caudillo@hq.doe.gov</u> or <u>ngreports@hq.doe.gov</u>, or may be faxed to Ms. Caudillo at (202) 586-6050.

F. ConEdison and O&R's blanket authorization to import and export natural gas from and to Canada granted in DOE/FE Order No. 2943, issued on December 21, 2010, is hereby vacated effective on November 1, 2012.

Issued in Washington, D.C., on November 13, 2012.

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