

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

UNIVERSAL LNG SOLUTIONS INC. _____

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FE DOCKET NO. 14-28-LNG

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

DOE/FE ORDER NO. 3414

APRIL 25, 2014

I. DESCRIPTION OF REQUEST

On March 5, 2014, Universal LNG Solutions Inc. (Universal) 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 export liquefied natural gas (LNG) to Canada and Mexico in approved ISO IMO7/TVAC-ASME LNG containers (ISO containers) transported by vessel, and to import LNG from various international sources in approved ISO containers transported by vessel, up to a combined total volume equivalent to 0.4 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on the date this Order is issued. Universal is a Texas corporation with its principal place of business in Sugar Land, Texas.

II. FINDING

The application has been evaluated to determine if the proposed import and/or 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 applications for such imports or exports must be granted without modification or delay. The authorization sought by Universal to export LNG to Canada and Mexico in ISO containers transported by vessel, and to import LNG from various international sources in ISO containers

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. 00-002.04F issued on July 11, 2013.

transported by vessel, 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.

ORDER

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

A. Universal is authorized to export LNG to Canada and Mexico in ISO containers transported by vessel, and to import LNG from various international sources in ISO containers transported by vessel, up to a combined total volume equivalent to 0.4 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 April 25, 2014, and extending through April 24, 2016.

B. This LNG may be exported in approved ISO containers loaded at any existing LNG production facility in the United States and its territories. This LNG may be exported by vessel from any export port or terminal in the United States and its territories capable of exporting LNG in ISO containers by vessel. This LNG may be imported in ISO containers by vessel to any facility in the United States and its territories capable of receiving LNG in ISO containers by vessel.

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 imports and exports of LNG authorized by this Order, Universal shall file with the Office of Oil and Gas Global Security and Supply, within

30 days following the last day of each calendar month, a report indicating whether imports and/or exports of 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 of LNG in ISO containers by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. import port or terminal; (2) the name of the vessel; (3) the date of arrival at the U.S. import port or terminal; (4) the country of origin from which LNG is shipped to the U.S.; (5) the name of the supplier/seller; (6) the imported volume in Mcf; (7) the price at the point of import in U.S. dollars per million British thermal units (MMBtu); (8) the name and location (city, state) of the facility where LNG is unloaded from the ISO container; (9) the mode(s) of transport used to move the loaded ISO container from the import port or terminal unloading facility; (10) the duration of the supply agreement (indicate spot sales); and (11) the name(s) of the purchaser(s).

If exports of LNG in ISO containers by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. export port or terminal; (2) the name of the vessel; (3) the date of departure from the U.S. export port or terminal; (4) the country (or countries) of destination into which the exported LNG was actually delivered; (5) the name of the supplier/seller; (6) the delivered volume in Mcf; (7) the price at the point of export in U.S. dollars per million British thermal units (MMBtu); (8) the name and location (city, state) of the facility where the ISO container is loaded with LNG; (9) the mode(s) of transport used to move the loaded ISO container from the loading facility to the export port or terminal; (10) the duration of the supply agreement (indicate spot sales); and (11) the name(s) of the purchaser(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 May 30, 2014, and should cover the reporting period from April 25, 2014, through April 30, 2014.

F. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Oil and Gas Global Security and Supply, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Natural Gas Reports. Alternatively, reports may be e-mailed to ngreports@hq.doe.gov, or may be faxed to Natural Gas Reports at (202) 586-6050.

Issued in Washington, D.C., on April 25, 2014.



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Office of Oil and Gas Global Security and Supply
Office of Oil and Natural Gas