

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

MERCURIA ENERGY AMERICA, LLC

DOCKET NO. 21-136-NG

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

DOE/FECM ORDER NO. 4778

DECEMBER 22, 2021

I. DESCRIPTION OF REQUEST

On December 1, 2021, Mercuria Energy America, LLC (Mercuria Energy America) filed an application with the Office of Fossil Energy and Carbon Management (FECM) of the Department of Energy (DOE) requesting blanket authorization under section 3 of the Natural Gas Act (NGA)¹ for the authority summarized in the list below. The applicant requests the authorization for a two-year term beginning on January 1, 2022.² Mercuria Energy America is a Delaware limited liability company with its principal place of business in Houston, Texas.

1. Import natural gas from Canada by pipeline at any point on the border between the United States and Canada
2. Import natural gas from Mexico by pipeline at any point on the border between the United States and Mexico
3. Export natural gas to Canada by pipeline at any point on the border between the United States and Canada
4. Export natural gas to Mexico by pipeline at any point on the border between the United States and Mexico
5. Import liquefied natural gas (LNG) from various international sources by vessel at any LNG import terminal in the United States and its territories
6. Export LNG to Canada by vessel from any LNG export terminal in the United States and its territories
7. Export LNG to Mexico by vessel from any LNG export terminal in the United States and its territories

Import and export authority was requested for up to a combined total volume equivalent to 500 billion cubic feet (Bcf) of natural gas.

1. 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 Fossil Energy in Redelegation Order No. S4-DEL-FE1-2021, issued on March 25, 2021. On July 4, 2021, the Office of Fossil Energy changed its name to the Office of Fossil Energy and Carbon Management.

2. Mercuria Energy America's blanket authorization, granted in DOE/FE Order No. 4495, extends through December 31, 2021.

II. FINDING

DOE has evaluated the application to determine if the proposed import and/or export arrangements meet 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 NGA section 3(c), imports and exports of natural gas, including LNG, from or to any country with which the United States has entered into a free trade agreement (FTA) 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.³ DOE must grant such applications without modification or delay.⁴ The authorization sought by Mercuria Energy America meets the NGA section 3(c) criteria, and, therefore, is deemed to be consistent with the public interest.

ORDER

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

A. Mercuria Energy America is authorized for the activity described in the list below. This authorization shall be effective for a two-year term beginning on January 1, 2022, and extending through December 31, 2023.

1. Import natural gas from Canada by pipeline at any point on the border between the United States and Canada
2. Import natural gas from Mexico by pipeline at any point on the border between the United States and Mexico
3. Export natural gas to Canada by pipeline at any point on the border between the United States and Canada
4. Export natural gas to Mexico by pipeline at any point on the border between the United States and Mexico
5. Import liquefied natural gas (LNG) from various international sources by vessel at any LNG import terminal in the United States and its territories
6. Export LNG to Canada by vessel from any LNG export terminal in the United States and its territories
7. Export LNG to Mexico by vessel from any LNG export terminal in the United States and its territories

The applicant is authorized to import and export up to a combined total volume equivalent to 500 Bcf of natural gas.

3. 15 U.S.C. § 717b(c).

4. *Id.*

B. 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.

C. **Monthly Reports:** With respect to the imports and/or exports authorized by this Order, Mercuria Energy America shall file with the Office of Regulation, Analysis, and Engagement, within 30 days following the last day of each calendar month, a report on Form FE-746R indicating whether imports and/or exports 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 have occurred, the report must provide the information specified for each applicable activity and mode of transportation, as set forth in the Guidelines for Filing Monthly Reports. These Guidelines are available at: <https://www.energy.gov/fe/services/natural-gas-regulation/guidelines-filing-monthly-reports>.

(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 February 28, 2022, and should cover the reporting period from January 1, 2022 through January 31, 2022.

Issued in Washington, D.C., on December 22, 2021.

Amy R. Sweeney

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Director, Office of Regulation, Analysis, & Engagement

Office of Resource Sustainability

Digitally signed by Amy R. Sweeney. Date: 2021.12.22 12:10:00 -05:00