

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

SHELL ENERGY NORTH AMERICA (US), L.P.

DOCKET NO. 22-2-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 INTERNATIONAL SOURCES BY VESSEL

DOE/FECM ORDER NO. 4794

JANUARY 28, 2022

I. DESCRIPTION OF REQUEST

On January 10, 2022, Shell Energy North America (US), L.P. (Shell Energy North America (US)) 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 May 13, 2022.² Shell Energy North America (US) is a Delaware limited partnership with its principal place of business in Houston, Texas.

1. Import up to 1,200 billion cubic feet (Bcf) of natural gas from Canada by pipeline at any point on the border between the United States and Canada
2. Import up to 1,200 Bcf of natural gas from Mexico by pipeline at any point on the border between the United States and Mexico
3. Export up to 1,200 Bcf of natural gas to Canada by pipeline at any point on the border between the United States and Canada
4. Export up to 1,200 Bcf of natural gas to Mexico by pipeline at any point on the border between the United States and Mexico
5. Import liquefied natural gas (LNG), up to a total volume equivalent to 1,200 Bcf of natural gas, from various international sources by vessel at any LNG import terminal in the United States and its territories
6. Export LNG, up to a total volume equivalent to 1,200 Bcf of natural gas, to Canada by vessel from any LNG export terminal in the United States and its territories
7. Export LNG, up to a total volume equivalent to 1,200 Bcf of natural gas, to Mexico by vessel from any LNG export terminal in the United States and its territories

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. Shell Energy North America (US)'s blanket authorization, granted in DOE/FE Order No. 4516, extends through May 12, 2022.

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 Shell Energy North America (US) 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. Shell Energy North America (US) is authorized for the activity described in the list below. This authorization shall be effective for a two-year term beginning on May 13, 2022, and extending through May 12, 2024.

1. Import up to 1,200 Bcf of natural gas from Canada by pipeline at any point on the border between the United States and Canada
2. Import up to 1,200 Bcf of natural gas from Mexico by pipeline at any point on the border between the United States and Mexico
3. Export up to 1,200 Bcf of natural gas to Canada by pipeline at any point on the border between the United States and Canada
4. Export up to 1,200 Bcf of natural gas to Mexico by pipeline at any point on the border between the United States and Mexico
5. Import LNG, up to a total volume equivalent to 1,200 Bcf of natural gas, from various international sources by vessel at any LNG import terminal in the United States and its territories
6. Export LNG, up to a total volume equivalent to 1,200 Bcf of natural gas, to Canada by vessel from any LNG export terminal in the United States and its territories
7. Export LNG, up to a total volume equivalent to 1,200 Bcf of natural gas, to Mexico by vessel from any LNG export terminal in the United States and its territories

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, Shell Energy North America (US) 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 June 30, 2022, and should cover the reporting period from May 13, 2022 through May 31, 2022.

Issued in Washington, D.C., on January 28, 2022.

Amy R. Sweeney

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Director, Office of Regulation, Analysis, & Engagement

Office of Resource Sustainability

Digitally signed by Amy R. Sweeney. Date: 2022.01.28 05:25:39 -05:00