

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

IRVING OIL LIMITED AND)
IRVING OIL TERMINALS INC.)
(formerly IRVING OIL LIMITED AND)
IRVING OIL TERMINALS OPERATIONS LLC))

DOCKET NO. 15-165-NG

ORDER GRANTING REQUEST TO AMEND AUTHORIZATION
TO IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA
TO REFLECT CORPORATE REORGANIZATION

DOE/FECM ORDER NO. 3765-E

JULY 26, 2023

On December 31, 2015, the Department of Energy's (DOE) Office of Fossil Energy and Carbon Management (FECM)¹ issued DOE/FE Order No. 3765 (Docket No. 15-165-NG),² under section 3 of the Natural Gas Act (NGA).³ DOE/FE Order No. 3765, as subsequently amended, jointly granted Irving Oil Commercial GP and Irving Oil Terminals Operations Inc., later known as Irving Oil Terminals Operations LLC (collectively, Irving Oil), long-term authorization to import up to 10 billion cubic feet (Bcf) of natural gas per year from Canada and to export up to 22 Bcf per year of natural gas to Canada for a 15-year term beginning on November 1, 2017.

On October 12, 2017, DOE received Irving Oil's request to change the name of co-authorization holder Irving Oil Terminals Operations Inc. to Irving Oil Terminals Operations LLC (Irving Oil Terminals Operations), in light of that entity's conversion to a limited liability company. On October 27, 2017, in DOE/FE Order No. 3765-A, Irving Oil's authorization granted in DOE/FE Order No. 3765 was amended to reflect the corporate name change.⁴

On February 17, 2018, DOE received Irving Oil's request to amend its authority to increase its authorized import volume of natural gas from 10 Bcf to 14 Bcf per year, to increase its maximum authorized export volume of natural gas from 22 Bcf per year to 26 Bcf per year, and to extend the term of its authorization by one year, through October 31, 2033. On February

¹ The Office of Fossil Energy changed its name to the Office of Fossil Energy and Carbon Management on July 4, 2021.

² *Irving Oil Commercial GP and Irving Oil Terminals Operations Inc.*, DOE/FE Order No. 3765, Order Granting Long-Term Authorization to Import and Export Natural Gas from and to Canada (Dec. 31, 2015).

³ 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 FECM in Redelegation Order No. S4-DEL-FE1-2023, issued on April 10, 2023.

⁴ *Irving Oil Commercial GP and Irving Oil Terminals Operations LLC (formerly Irving Oil Commercial GP and Irving Oil Terminals Operations Inc.)*, DOE/FE Order No. 3765-A, Order Granting Request to Amend Authorization to Import and Export Natural Gas to Reflect Corporate Name Change (Oct. 27, 2017).

28, 2018, in DOE/FE Order No. 3765-B, Irving Oil's authorization granted in DOE/FE Order No. 3765 was amended to reflect an increase in import and export volumes of natural gas and the term of its authority.⁵

On February 14, 2019, DOE received Irving Oil's request to amend its authority to increase its authorized import volume of natural gas from 14 Bcf to 22 Bcf per year, to increase its maximum authorized export volume of natural gas from 26 Bcf per year to 34 Bcf per year, and to extend the term of its authorization through October 31, 2041. On March 11, 2019, in DOE/FE Order No. 3765-C, Irving Oil's authorization granted in DOE/FE Order No. 3765 was amended to import up to 22 Bcf of natural gas per year from Canada, to export up to 34 Bcf of natural gas per year to Canada, and to extend the effective term of Irving Oil's authorization through October 31, 2041.⁶

On June 23, 2022, DOE received Irving Oil's request to change the name of co-authorization holder Irving Oil Commercial GP to Irving Oil Limited, in light of a corporate reorganization of Irving Oil Limited of Saint John, New Brunswick, Canada. On August 25, 2022, in DOE/FECM Order No. 3765-D, Irving Oil's authorization granted in DOE/FE Order No. 3765 was amended again to reflect a corporate reorganization that took effect July 1, 2022.⁷

By letter received March 9, 2023, Irving Oil Limited of Saint John, New Brunswick,

⁵ *Irving Oil Commercial GP and Irving Oil Terminals Operations LLC*, DOE/FE Order No. 3765-B, Order Granting Request to Amend Authorization to Import and Export Natural Gas from and to Canada (Feb. 28, 2018).

⁶ *Irving Oil Commercial GP and Irving Oil Terminals Operations LLC*, DOE/FE Order No. 3765-C, Order Granting Request to Amend Authorization to Import and Export Natural Gas from and to Canada (Mar. 11, 2019).

⁷ *Irving Oil Limited and Irving Oil Terminals Operations LLC (formerly Irving Oil Commercial GP and Irving Oil Terminals Operations LLC)*, DOE/FECM Order No. 3765-D, Order Granting Request to Amend Authorization to Import and Export Natural Gas from and to Canada to Reflect Corporate Reorganization (Aug. 25, 2022).

Canada (Irving Oil Limited), the parent company of Irving Oil Terminals Operations and Irving Oil Terminals Inc., notified DOE of its intent to merge Irving Oil Terminals Operations into Irving Oil Terminals Inc. and transfer all of its assets and obligations.⁸ The merger and transfer took effect May 1, 2023. As Irving Oil Terminals Operations was a wholly-owned subsidiary of Irving Oil Limited, the company asserted that “[t]here will be no change in control, and the internal corporate reorganization will have no impact on the company’s external operations.”⁹ To reflect the reorganization, Irving Oil Limited requested that DOE amend DOE/FECM Order No. 3765-D to “transfer the import and export authorizations previously granted to Irving Oil Terminals Operations LLC and Irving Oil Limited to Irving Oil Terminals Inc. and Irving Oil Limited.”¹⁰

DOE finds that Irving Oil Limited’s corporate reorganization does not constitute a change in control. Irving Oil Limited’s stated intent was to merge Irving Oil Terminals Operations into Irving Oil Terminals Inc. and for “[a]ll of the business (e.g. [sic] all assets, liabilities, contracts and related matters) of [Irving Oil Terminals Operations to] be assumed by Irving Oil Terminals Inc.” as of May 1, 2023.¹¹ Further, Irving Oil Limited did not indicate any change in ownership or control of any co-authorization holder, pre- or post-merger. DOE therefore agrees that no change in control will occur as a result of the corporate reorganization as described by Irving Oil Limited.

⁸ See Letter from Andrea Grant and Martin Schaefermeier, Counsel, Irving Oil Terminals Operations LLC, Irving Oil Terminals Inc., and Irving Oil Limited, to DOE (Irving Oil Letter), at 1-2 (Mar. 9, 2023).

⁹ *Id.* at 2.

¹⁰ *Id.*; see also Email from Andrea Grant, Counsel, Irving Oil Terminals Operations LLC, Irving Oil Terminals Inc., and Irving Oil Limited, to DOE (Irving Oil Email) (July 5, 2023).

¹¹ Irving Oil Letter at 1-2; see also Irving Oil Email.

DOE further finds that the request to amend the specified authorization to reflect the corporate reorganization is consistent with the public interest, pursuant to NGA section 3.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

- A. Effective May 1, 2023, the name of the authorization holders of DOE/FE Order No. 3765, as amended, is amended to Irving Oil Limited and Irving Oil Terminals Inc.
- B. All obligations arising under DOE/FE Order No. 3765, as amended, no longer apply to Irving Oil Limited and Irving Oil Terminals Operations LLC, and now apply to Irving Oil Limited and Irving Oil Terminals Inc.

Issued in Washington, D.C., on July 26, 2023.

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