

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

SENECA RESOURCES COMPANY, LLC

)
)
)
DOCKET NO. 16-118-NG

ORDER AMENDING LONG-TERM AUTHORIZATION
TO EXPORT NATURAL GAS TO CANADA

DOE/FECM ORDER NO. 3912-B

AUGUST 30, 2023

I. DESCRIPTION OF REQUEST

On June 29, 2023, Seneca Resources Company, LLC (Seneca Resources) filed an application (Application)¹ with the Department of Energy's (DOE) Office of Fossil Energy and Carbon Management (formerly the Office of Fossil Energy)² under section 3 of the Natural Gas Act (NGA).³ Seneca Resources states that it is submitting this Application for an amendment to extend the term of its existing long-term authorization to export natural gas to Canada by pipeline granted in Order No. 3912.⁴ Under Order No. 3912, Seneca Resources is authorized to export natural gas to Canada by pipeline for a term of seven years and two months, that began on November 1, 2016, and extends through December 31, 2023.

In this proceeding, Seneca Resources requests an extension of its existing authorization to export natural gas to Canada by pipeline in a cumulative total volume of 49.66 billion cubic feet (Bcf) of natural gas (0.017 Bcf per day (Bcf/d)),⁵ which Seneca Resources states is equivalent to 18,000 million British Thermal Units (MMBtu) per day or 17,357 thousand cubic feet (Mcf) per day, for an additional term of seven years and ten months, beginning January 1, 2024, and extending through October 31, 2031.⁶

¹ Seneca Resources Company, LLC, Request of Seneca Resources Company, LLC for Amendment to Existing Long-Term Authorization to Export Natural Gas to Canada, Docket No. 16-118-NG (June 29, 2023) [hereinafter App.].

² The Office of Fossil Energy changed its name to the Office of Fossil Energy and Carbon Management (FECM) on July 4, 2021.

³ 15 U.S.C. § 717b. The authority to regulate the imports and exports of natural gas, including liquefied natural gas, under section 3 of the NGA has been delegated to the Assistant Secretary for FECM in Redelegation Order No. S4-DEL-FE1-2023, issued on April 10, 2023.

⁴ *Seneca Res. Corp.*, Order No. 3912, Docket No. 16-118-NG, Order Granting Long-Term Authorization to Export Natural Gas to Canada (Oct. 31, 2016). Seneca Resources Corporation has since changed its corporate form and name to Seneca Resources Company, LLC, and Order No. 3912 was amended accordingly. See Order No. 3912-A, Docket No. 16-118-NG (Sept. 3, 2018) (granting request to amend authorization to export under new company name).

⁵ Volumes are calculated based on 2,861 days from January 1, 2024, to October 31, 2031. The export volume for each year during the term shall be equivalent to approximately 6.34 Bcf per year (Bcf/yr) from January 1, 2024, until December 31, 2030; and up to 5.28 Bcf/yr from January 1, 2031, until October 31, 2031.

⁶ App. at 1, 5 (although Seneca Resources requests its amendment term to commence on December 31, 2023, DOE construes the new export term to begin on January 1, 2024, as Seneca Resources' existing authorization in Order No. 3912 extends through December 31, 2023).

Seneca Resources states that the extension would align the term of its authorization “with the expiration date of its existing firm transportation contract with TransCanada Pipelines Limited (TCPL).”⁷

Seneca Resources states that it is a Pennsylvania limited liability company with its principal place of business in Cranberry Township, Pennsylvania.⁸ Seneca Resources further describes itself as “engaged in the exploration, development, and production of natural gas and oil reserves.”⁹

According to Seneca Resources, the natural gas it intends to export “under the existing authorization, as amended, [would] continue to be produced by Seneca Resources from its reserves and transported to the export point at Niagara, New York, on domestic interstate pipeline facilities owned by Tennessee Gas Pipeline Company, L.L.C. for sale at Kirkwall[, Ontario, Canada].”¹⁰ Seneca Resources notes that it “has additional firm transportation capacity with Enbridge Gas Inc. . . . through March 31, 2025,” and that it “currently has agreements with BP Canada Energy Group ULC (BPCEG), to sell natural gas to BPCEG at the Dawn Union trading hub, through March 31, 2025.”¹¹ Seneca Resources adds that “[n]o new pipeline facilities [would] be constructed to facilitate the movement of the natural gas to be exported pursuant to the requested authorization.”¹²

Seneca Resources further represents that it would “make all pipeline transportation arrangements for the natural gas to be exported to the point of sale in Ontario, Canada.”¹³

⁷ *Id.* at 1.

⁸ *Id.* at 2.

⁹ *Id.*

¹⁰ *Id.* at 3-4.

¹¹ *Id.* at 4.

¹² App. at 4.

¹³ *Id.*

Seneca Resources states that its requested amendment would allow it “to export its natural gas production to Canada—and thereby fulfill its contractual commitment to sell up to 18,000 MMBtu/Day of natural gas to BPCEG and/or other counterparties over the full duration of its existing firm transportation contract with TCPL, or until October 31, 2031.”¹⁴

Seneca Resources states that it “will also continue to comply with all reporting requirements deemed necessary by DOE/FECM, including filing monthly reports.”¹⁵

II. FINDINGS

Section 3(c) of the NGA¹⁶ was amended by section 201 of the Energy Policy Act of 1992 (Pub. L. 102-486) to require that applications authorizing (a) the import and export of natural gas, including liquefied natural gas (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 (b) the import of LNG from other international sources, be deemed consistent with the public interest and granted without modification or delay. The authorization sought by Seneca Resources to export natural gas to Canada, a nation with which a free trade agreement requiring national treatment for trade in natural gas is in effect, falls within section 3(c) of the NGA. Therefore, DOE is charged with granting the requested authorization without modification or delay.

ORDER

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

A. Seneca Resources Company, LLC (Seneca Resources) is authorized to export up to a cumulative total volume of 49.66 Bcf of natural gas to Canada for a term beginning on January 1, 2024, and extending through October 31, 2031.

¹⁴ *Id.*

¹⁵ *Id.*

¹⁶ 15 U.S.C. § 717b(c).

B. This natural gas may be exported by pipeline at any point on the border between the United States and Canada.

C. Monthly Reports: With respect to the natural gas exports authorized by this Order, Seneca Resources shall file with the U.S. Department of Energy (FE-34), Office of Fossil Energy and Carbon Management, 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 exports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no exports have been made, a report of “no activity” for that month must be filed. If exports have occurred, the report must provide the information specified for each applicable activity, as set forth in the Guidelines for Filing Monthly Reports. These Guidelines are available at <https://www.energy.gov/fecm/guidelines-filing-monthly-reports>. (Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

D. All monthly report filings on Form FE-746R shall be made to the Office of Regulation, Analysis, and Engagement according to the methods of submission listed on the Form FE-746R reporting instructions available at <https://www.energy.gov/fecm/regulation>.

Issued in Washington, D.C., on August 30, 2023.

Amy R. Sweeney
Director, Office of Regulation, Analysis, and Engagement
Office of Resource Sustainability