

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

VERBENA ENERGY, LLC

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FE DOCKET NO. 16-25-LNG

ORDER GRANTING BLANKET AUTHORIZATION
TO EXPORT LIQUEFIED NATURAL GAS
TO MEXICO BY TRUCK

DOE/FE ORDER NO. 3803

MARCH 29, 2016

I. DESCRIPTION OF REQUEST

On February 25, 2016, Verbena Energy, LLC (Verbena) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),¹ for blanket authorization to export liquefied natural gas (LNG) to Mexico by truck, up to a total volume equivalent to 107.1 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on the date the Order is issued. Verbena is a Texas limited liability company with its principal place of business in El Paso, 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 Verbena to export LNG to Mexico by truck, nations with which free trade agreements are in effect, meets the section 3(c) criteria and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of no longer than two years.

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 Redelelegation Order No. 00-006.02 issued on November 17, 2014.

ORDER

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

A. Verbena is authorized to export LNG to Mexico by truck, up to a combined total volume equivalent to 107.1 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 March 17, 2016, and extending through March 16, 2018.

B. This LNG may be imported by truck to any LNG receiving facility in the United States and its territories. This LNG may be exported by truck from any LNG departure facility in the United States and its territories.

C. **Monthly Reports:** With respect to the imports and/or exports of LNG authorized by this Order, Verbena shall file with the Office of Regulation and International Engagement, within 30 days following the last day of each calendar month, a report indicating whether exports of LNG 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 of LNG by truck have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. departure facility; (2) the country of destination; (3) the point(s) of exit; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the LNG transporter(s); (6) the volume in Mcf; (7) the price per MMBtu at the point of exit; and (8) the duration of the supply agreement.

(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, 2016, and should cover the reporting period from March 29, 2016, through April 30, 2016.

F. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Regulation and International Engagement, 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 March 29, 2016.

A handwritten signature in black ink, appearing to read "John A. Anderson", written over a horizontal line.

John A. Anderson
Director, Office of Regulation and International Engagement
Office of Oil and Natural Gas