

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

MERRILL LYNCH COMMODITIES
CANADA, ULC

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FE DOCKET NO. 16-102-NG
FE DOCKET NO. 14-198 NG

ORDER GRANTING BLANKET AUTHORIZATION TO
EXPORT NATURAL GAS TO CANADA AND
VACATING PRIOR AUTHORIZATION

DOE/FE ORDER NO. 3884

DOE/FE ORDER NO. 3576-A

AUGUST 30, 2016

I. DESCRIPTION OF REQUEST

On July 28, 2016, Merrill Lynch Commodities Canada, ULC (Merrill Lynch) 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 up to 23 billion cubic feet (Bcf) of natural gas to Canada (Application). The applicant requests the authorization be granted for a two-year term beginning on May 1, 2016. Merrill Lynch is a Canadian unlimited liability company with its principal place of business in Houston, Texas.

Previously, on January 8, 2015, Merrill Lynch was granted authorization in DOE/FE Order No. 3576 (Order No. 3576) to export natural gas to Canada for a two-year term beginning on January 11, 2015, and extending through January 10, 2017. However, on July 28, 2016, Merrill Lynch informed DOE that it wishes to increase its authorization from the 7.3 Bcf export volume set forth in Order No. 3576 to the 23 Bcf export volume requested in the current Application. Therefore, contemporaneous with the issuance of this authorization, Merrill Lynch requests that Order No. 3576 be vacated, effective May 1, 2016.

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 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

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 FE in Redelegation Order No. 00-006.02 issued on November 17, 2014.

the import of LNG from other international sources are deemed to be consistent with the public interest, and applications for such imports and exports, including requests to vacate previously issued section 3(c) authorizations, must be granted without modification or delay. The authorization sought by Merrill Lynch to export natural gas to Canada, a nation with which a free trade agreement is in effect, and the request to vacate Order No. 3576, meet the section 3(c) criterion and, therefore, are consistent with the public interest. This Order authorizes transactions with terms of no longer than two years.

ORDER

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

A. Merrill Lynch is authorized to export up to 23 Bcf of natural gas to Canada, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term which began on May 1, 2016, and extends through April 30, 2018.

B. This natural gas may be exported 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, Merrill Lynch 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 imports or 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 of natural gas have occurred, the report must give the following details: (1) the country of destination; (2) the point(s) of exit; (3) the volume in thousand cubic feet (Mcf); (4) the average purchase price of gas per million British thermal units (MMBtu) at the

international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); and (7) the estimated or actual duration of the supply agreement(s).

(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 September 30, 2016, and should cover the reporting period from May 1, 2016, through August 31, 2016. Any monthly reports reflecting activity from May 1, 2016 previously submitted under DOE/FE Docket No. 14-198-NG must be re-submitted under DOE/FE Docket No. 16-102-NG.

E. 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.

F. Merrill Lynch's blanket authorization to export natural gas to Canada granted to Merrill Lynch in DOE/FE Order No. 3576 on January 8, 2015, is hereby vacated, effective May 1, 2016.

Issued in Washington, D.C., on August 30, 2016.



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