UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

PUGET SOUND ENERGY, INC.)	FE DOCKET NO. 16-187-LNG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT LIQUEFIED NATURAL GAS FROM CANADA BY TRUCK

DOE/FE ORDER NO. 3969

I. DESCRIPTION OF REQUEST

On December 8, 2016, Puget Sound Energy, Inc. (PSE) 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), for blanket authorization to import liquefied natural gas (LNG) from Canada by truck, up to a total volume equivalent to 1 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on January 1, 2017. PSE is a Washington corporation with its principal place of business in Bellevue, Washington.

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 PSE to import LNG by truck from Canada, a nation with which a free trade agreement is 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.

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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.

² PSE's blanket authorization to import LNG from Canada by truck, granted in DOE/FE Order No. 3594 on February 12, 2015, extended through December 31, 2016.

ORDER

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

- A. PSE is authorized to import LNG from Canada by truck, up to a total volume equivalent to 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 which began on January 1, 2017, and extends through December 31, 2018.
- B. This LNG may be imported by truck to any LNG receiving facility in the United States and its territories.
- C. **Monthly Reports:** With respect to the imports of LNG authorized by this Order, PSE 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 of LNG have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that month must be filed.

If imports of LNG by truck have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. receiving facility; (2) the country or origin; (3) the point(s) of entry; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the LNG transporter(s); (6) the volume amount in Mcf; (7) the price per MMBtu at the point of entry; (8) the duration of the supply agreement; and (9) the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

(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 February 28, 2017, and should cover the reporting period from January 1, 2017, through January 31, 2017.
- 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 January 17, 2017.

John A. Anderson

Director, Office of Regulation and International Engagement

Office of Oil and Natural Gas