

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

\_\_\_\_\_  
KOCH ENERGY SERVICES, LLC  
\_\_\_\_\_

)  
)  
)

DOCKET NO.

17-20-NG

DOCKET NO.

15-115-NG

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

DOE/FE ORDER NO. 4004

MARCH 17, 2017

## I. DESCRIPTION OF REQUEST

On February 10, 2017, Koch Energy Services, LLC (Koch) 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)<sup>1</sup> for blanket authorization to import and export up to a combined total of 156 billion cubic feet (Bcf) of natural gas from and to Canada via pipeline. The applicant requests the authorization be granted for a two-year term beginning on the date the Order is issued. Koch is a Delaware limited liability company with its principal place of business in Wichita, Kansas.

Previously, on September 11, 2015, Koch was granted authorization in DOE/FE Order No. 3700 to import and export natural gas from and to Canada for a two-year term beginning on October 1, 2015, and extending through September 30, 2017. On February 10, 2017, Koch informed DOE that it wishes to increase its authorized volume from the 35 Bcf combined volume set forth in DOE/FE Order No. 3700 to the 156 Bcf combined volume set forth in the current application. Therefore, Koch additionally requests that DOE/FE Order No. 3700 be vacated, effective the date this Order is issued.

## 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 the import of LNG from other international sources are deemed to be consistent with the public

---

<sup>1</sup> 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 Redelegation Order No. 00-006.02 issued on November 17, 2014.

interest, and applications for such imports and exports must be granted without modification or delay. The authorization sought by Koch to import and export natural gas from and to Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is 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. Koch is authorized to import and export up to a combined total of 156 Bcf of natural gas from and to Canada, 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, 2017, and extending through March 16, 2019.

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

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, Koch 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 imports and/or exports of natural gas have occurred, the report must give the following details: (1) for imports, the country of origin; (2) for exports, the country of destination; (3) the point(s) of entry and exit; (4) the volume in thousand cubic feet (Mcf); (5) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (6) the name of the supplier(s); (7) the name of the U.S. transporter(s); (8) the estimated

or actual duration of the supply agreement(s); and (9) for imports, 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)

D. The first monthly report required by this Order is due not later than April 30, 2017, and should cover the reporting period from March 17, 2017, through March 31, 2017.

E. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Division of Natural Gas Regulation, Office of Regulation and International Engagement, Office of Fossil Energy, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Natural Gas Reports. Alternatively, reports may be e-mailed to [ngreports@hq.doe.gov](mailto:ngreports@hq.doe.gov), or may be faxed to Natural Gas Reports at (202) 586-6050.

F. Koch's blanket authorization to import and export natural gas from and to Canada, granted in DOE/FE Order No. 3700 on September 11, 2015, is hereby vacated upon issuance of this Order.

Issued in Washington, D.C., on March 17, 2017.



---

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