

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CFE INTERNATIONAL LLC

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FE DOCKET NOS. 17-66-NG
17-07-NG

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

DOE/FE ORDER NO. 4051

JUNE 8, 2017

I. DESCRIPTION OF REQUEST

On May 10, 2017, CFE International LLC (CFE International) 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 import and export up to a combined total of 2,920 billion cubic feet (Bcf) of natural gas from and to Mexico via pipeline. The applicant requests the authorization be granted for a two-year term beginning on May 1, 2017. CFE International is a Delaware limited liability company with its principal place of business in Mexico City, Mexico.

Previously, on February 10, 2017, CFE International was granted authorization in DOE/FE Order No. 3980 to import and export up to a combined total of 4 Bcf of natural gas from and to Mexico for a two-year term beginning on January 3, 2017, and extending through January 2, 2019. On May 10, 2017, CFE International notified DOE that it wishes to increase its authorized volume from the 4 Bcf combined total volume set forth in DOE/FE Order No. 3980 to the 2,920 Bcf combined total volume set forth in the current application. In this notification, CFE International requested that DOE/FE Order No. 3980 be vacated, effective May 1, 2017, and requested an effective date of May 1, 2017 for its new authorization.²

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

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. 00-006.02F issued on November 17, 2014.

² Letter from Sarah A. Tucker, Counsel for CFE International, to Larine Moore, Docket Room Manager, DOE/FE, May 10, 2017.

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 interest, and applications for such imports and exports must be granted without modification or delay. The authorization sought by CFE International to import and export natural gas from and to Mexico, a nation with which a free trade agreement requiring national treatment for trade in natural gas 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. CFE International is authorized to import and export up to a combined total of 2,920 Bcf of natural gas from and to Mexico, 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, 2017, and extends through April 30, 2019.

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

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, CFE International 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 imports and/or 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 markets(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 June 30, 2017, and should cover the reporting period from May 1, 2017, through May 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, or may be faxed to Natural Gas Reports (202) 586-6050.

F. CFE International's blanket authorization to import and export natural gas from and to Mexico, granted in DOE/FE Order No. 3980 on February 10, 2017, is hereby vacated effective May 1, 2017.

Issued in Washington, D.C., on June 8, 2017.



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