UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

PROMETHEUS ENERGY GROUP, INC.

FE DOCKET NO. 18-24-LNG

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

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DOE/FE ORDER NO. 4163

MARCH 12, 2018

I. <u>DESCRIPTION OF REQUEST</u>

On February 21, 2018, Prometheus Energy Group, Inc. (Prometheus Energy Group) 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 liquefied natural gas (LNG) from and to Canada and Mexico by truck, up to a combined total volume equivalent to 75 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on April 5, 2018.² Prometheus Energy Group is a Delaware corporation with its principal place of business in Houston, Texas.

II. <u>FINDING</u>

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 and exports must be granted without modification or delay. The authorization sought by Prometheus Energy Group to import and export LNG from and to Canada and Mexico, nations with which free trade agreements requiring national treatment for trade in natural gas are 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.

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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 Prometheus Energy Group's blanket authorization to import and export LNG from and to Canada and Mexico by truck, granted in DOE/FE Order No. 3802 on March 17, 2016, extends through April 4, 2018.

ORDER

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

A. Prometheus Energy Group is authorized to import and export LNG from and to Canada and Mexico by truck, up to a combined total volume equivalent to 75 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 April 5, 2018, and extending through April 4, 2020.

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, Prometheus Energy Group 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 and/or exports of LNG have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports or exports 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(s) 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)).

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

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transporter(s); (6) the volume in Mcf; (7) the price per MMBtu at the point(s) 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, 2018, and should cover the reporting period from April 5, 2018, through April 30, 2018.

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 <u>ngreports@hq.doe.gov</u>, or may be faxed to Natural Gas Reports at (202) 586-6050.

Issued in Washington, D.C., on March 12, 2018.

Robert J. Smith Deputy Assistant Secretary for Oil and Natural Gas (Acting)