

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

S.D. SUNNYLAND ENTERPRISES, INC

FE DOCKET NO. 18-47-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT LIQUEFIED NATURAL GAS FROM
VARIOUS INTERNATIONAL SOURCES BY VESSEL
AND TO EXPORT LIQUEFIED NATURAL GAS
TO CANADA BY VESSEL

DOE/FE ORDER NO. 4212

JULY 24, 2018

I. DESCRIPTION OF REQUEST

On April 26, 2018, S.D. Sunnyland Enterprises, Inc. (S.D. Sunnyland) 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 liquefied natural gas (LNG) from various international sources by vessel, and to export LNG to Canada by vessel, up to a combined total volume equivalent to 0.2 billion cubic feet (Bcf) of natural gas.² The applicant requests the authorization be granted for a two-year term which began on July 20, 2018.³ S.D. Sunnyland is a Virginia corporation with its principal place of business in Falls Church, Virginia.

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 interest, and applications for such imports and exports must be granted without modification or delay. The authorization sought by S.D. Sunnyland to import LNG from various international

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 On May 9, 2018, Dr. Syung Han, CEO for S.D. Sunnyland, emailed DOE/FE to amend the requested volume within the application from .00 Bcf to 0.2 Bcf.

³ On July 12, 2018, Charles Russell Twist, attorney for S.D. Sunnyland, emailed DOE/FE to amend the requested start date within the application from when this Order is issued to when S.D. Sunnyland's current blanket authorization expires. S.D. Sunnyland's blanket authorization to import LNG from various international sources by vessel and to export LNG to Canada by vessel, granted in DOE/FE Order No. 3826 on May 24, 2016, extends through July 19, 2018.

sources by vessel and to export natural gas by vessel to Canada, a nation with which a free trade agreement requiring national treatment for trade in natural gas 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.

ORDER

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

A. S.D. Sunnyland is authorized to import LNG from various international sources by vessel, and to export LNG to Canada by vessel, up to a combined total volume of 0.2 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 July 20, 2018, and extends through July 19, 2020.

B. This LNG may be imported by vessel to any LNG receiving facility in the United States and its territories. This LNG may be exported by vessel from any LNG export terminal in the United States and its territories.

C. LNG imports that require increased security measures from the United States Coast Guard (USCG) and/or other branches of the Department of Homeland Security in place now or added in the future shall comply with those measures on a shipment by shipment basis to the satisfaction of the USCG. Such measures may include periodic boarding or examination of the vessel by the USCG at the load port, while the vessel is underway, at any time during the voyage, and before and during discharge of the cargo while at the discharge port, as well as other enhanced security measures.

D. **Monthly Reports:** With respect to the imports and exports of LNG authorized by this Order, S.D. Sunnyland 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 imports and/or exports have not occurred, a report of “no activity” for that month must be filed.

If imports of LNG by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. receiving terminal; (2) the name of the LNG tanker; (3) the date of arrival at the U.S. receiving terminal; (4) the country of origin; (5) the name of the supplier/seller; (6) the volume in Mcf; (7) the landed price per MMBtu at the point of import; (8) the duration of the supply agreement (indicate spot purchases); (9) the name(s) of the purchaser(s); and (10) the geographic market served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

If exports of LNG by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. export terminal; (2) the country of destination; (3) the date of departure from the U.S. export terminal; (4) the name of the LNG tanker; (5) the name of the supplier/seller; (6) the volume in Mcf; (7) the price per MMBtu at the point of exit; (8) the duration of the supply agreement (indicate spot sales); and (9) the name(s) of the purchaser(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 August 30, 2018, and should cover the reporting period from July 20, 2018 through July 31, 2018.

F. 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.

Issued in Washington, D.C., on July 24, 2018.

Amy R. Sweeney
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