

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

NATURGY APROVISIONAMIENTOS S.A.

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FE DOCKET NO. 18-189-LNG
FE DOCKET NO. 16-199-LNG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT LIQUEFIED NATURAL GAS FROM
VARIOUS INTERNATIONAL SOURCES BY VESSEL, AND
VACATING PRIOR BLANKET AUTHORIZATION

DOE/FE ORDER NOS. 4333 AND 3974-A

JANUARY 26, 2019

I. DESCRIPTION OF REQUEST

On December 14, 2018, Naturgy Aprovisionamientos S.A. (Naturgy Aprovisionamientos) 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, up to a total volume equivalent to 150 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on December 7, 2018.² Naturgy Aprovisionamientos is a Spanish corporation with its principal place of business in Madrid, Spain.

Previously, on January 24, 2017, DOE/FE granted Naturgy Aprovisionamientos authorization in DOE/FE Order No. 3974 to import to LNG from various international sources by vessel, up to a total volume equivalent to 150 Bcf of natural gas for a two-year term beginning on March 17, 2017, and extending through March 16, 2019.³ On December 24, 2018, Naturgy Aprovisionamientos notified DOE/FE its name changed from Gas Natural Aprovisionamientos SDG, S.A on December 7, 2018. On January 2, 2019, Naturgy Aprovisionamientos requested that DOE/FE vacate its existing authorization in DOE/FE Order No. 3974, effective on December 7, 2018.⁴

II. FINDING

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 See E-mail from Daniel Gomez Martin, Naturgy Aprovisionamientos, to DOE/FE (January 2, 2019).

³ Naturgy Aprovisionamientos' blanket authorization to import LNG from various international sources by vessel, granted in DOE/FE Order No. 3974 on January 24, 2017, extends through March 16, 2019.

⁴ See E-mails from Daniel Gomez Martin, Naturgy Aprovisionamientos, to DOE/FE (December 24, 2018 and January 2, 2019, respectively).

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 Naturgy Aproveisionamientos to import LNG from various international sources by vessel 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. Naturgy Aproveisionamientos is authorized to import LNG from various international sources by vessel, up to a total volume equivalent to 150 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 December 7, 2018, and extends through December 6, 2020.

B. This LNG may be imported by vessel at any LNG receiving facility 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 LNG imports authorized by this Order, Naturgy Aproveisionamientos shall file with the Office of Regulation, Analysis, and 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 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 thousand cubic feet (Mcf); (7) the landed price per million British thermal unit (MMBtu) at the point of import; (8) the estimated or actual 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)).

(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 January 30, 2019, and should cover the reporting period from December 7, 2018 through December 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, Analysis, and 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.

G. Naturgy Aprovevisionamientos' blanket authorization to import LNG from various international sources by vessel, granted in DOE/FE Order No. 3974 on January 24, 2017, is hereby vacated effective December 7, 2018.

Issued in Washington, D.C., on January 26, 2019.

Amy R. Sweeney
Director, Division of Natural Gas Regulation