UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

))	FE DOCKET NO. 19-121-NG
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ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA

DOE/FE ORDER NO. 4456

NOVEMEBR 12, 2019

I. DESCRIPTION OF REQUEST

On October 2, 2019, Spotlight Energy, LLC (Spotlight Energy) 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 a combined total of 107 billion cubic feet (Bcf) of natural gas from and to Canada by pipeline. The applicant requests the authorization be granted for a two-year term beginning on November 8, 2019.² Spotlight Energy is a Texas limited liability company with its principal place of business in Houston, Texas.

II. FINDING

The application has been evaluated to determine if the proposed import and 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 Spotlight Energy to import and export natural gas from and 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) 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. 00-002.04G issued on June 4, 2019.

² Spotlight Energy's blanket authorization to import and export natural gas from and to Canada, granted in DOE/FE Order No. 4115 on November 8, 2017, extends through November 7, 2019; *see also* email from Jacob Field, Spotlight Energy, LLC to DOE/FE (Oct. 11, 2019).

ORDER

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

- A. Spotlight Energy is authorized to import and export a combined total of 107 Bcf of natural gas from and to Canada, pursuant to transactions that have terms of not greater than two years. This authorization shall be effective for a two-year term that began on November 8, 2019, and extends through November 7, 2021.
- 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, Spotlight Energy 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 or exports of natural gas 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 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 December 30, 2019, and should cover the reporting period from November 8, 2019 through November 30, 2019.

E. All monthly report filings on Form FE-746R shall be made to the U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Regulation, Analysis, and Engagement, according to the methods of submission listed on the Form FE-746R reporting instructions available at https://www.energy.gov/fe/services/natural-gas-regulation.

Issued in Washington, D.C., on November 12, 2019.

Amy R. Sweeney Director, Office of Regulation, Analysis, and Engagement Office of Oil and Natural Gas