

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

SPRAGUE OPERATING RESOURCES, LLC

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FE DOCKET NO. 19-132-NG

FE DOCKET NO. 18-184-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA, AND
VACATING PRIOR BLANKET AUTHORIZATION

DOE/FE ORDER NOS. 4466 AND 4324-A

NOVEMBER 12, 2019

I. DESCRIPTION OF REQUEST

On October 11, 2019, Sprague Operating Resources, LLC (Sprague Operating Resources) 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 up to 3.96 billion cubic feet (Bcf) of natural gas from Canada by pipeline. The applicant requests the authorization be granted for a two-year term beginning on the date the Order is issued.² Sprague Operating Resources is a Delaware limited liability company with its principal place of business in Portsmouth, New Hampshire.

Previously, on December 20, 2018, DOE/FE granted Sprague Operating Resources authorization in DOE/FE Order No. 4324 to import up to a total of 1.5 Bcf of natural gas from Canada for a two-year term beginning on August 1, 2018, and extending through July 31, 2020, and vacating prior blanket authorization to import natural gas from Canada granted in DOE/FE Order No. 3954.

On October 11, 2019, Sprague Operating Resources requested that DOE/FE vacate its existing authorization in DOE/FE Order No. 4324, effective on the date this authorization is issued.³

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

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 Sprague Operating Resources' current blanket authorization to import natural gas from Canada, and vacating prior authorization, granted in DOE/FE Order Nos. 4324 and 3954-A on December 20, 2018, extends through July 31, 2020.

³ See Application and e-mail from Brittany Willette, Regulatory & Governance Compliance, Sprague Operating Resources, to DOE/FE (October 11, 2019).

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 Sprague Operating Resources to import natural gas from 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.

ORDER

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

A. Sprague Operating Resources is authorized to import up to 3.96 Bcf of natural gas from Canada, pursuant to transactions that have terms of not greater than two years. This authorization shall be effective for a two-year term which begins on November 12, 2019, and extends through November 11, 2021.

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

C. **Monthly Reports:** With respect the natural gas imports authorized by this Order, Sprague Operating Resources 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 natural gas 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 natural gas have occurred, the report must give the following

details: (1) the country of origin; (2) the point(s) of entry; (3) the volume in thousand cubic feet (Mcf); (4) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); (7) the estimated or actual duration of the supply agreement(s); and (8) the geographic markets 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 12, 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>.

F. Sprague Operating Resources' blanket authorization to import natural gas from Canada, granted in DOE/FE Order No. 4324 on December 20, 2018, is hereby vacated effective November 12, 2019.

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