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February 14, 2019

Ms. Beverly Howard  
Ms. Larine Moore  
Division of Natural Gas Regulation  
Office of Fossil Energy  
Department of Energy  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Re: Request for Amendment to Long-Term Natural Gas License – Order 3765-B

Dear Ms. Howard and Ms. Moore:

On December 31, 2015, the Office of Fossil Energy (FE) of the Department of Energy (DOE) issued DOE/FE Order No. 3765 under section 3 of the Natural Gas Act.<sup>1</sup> That Order granted Irving Oil Commercial GP, a Canadian entity, and its sister U.S. entity, Irving Oil Terminals Operations LLC, (collectively “Irving”) long-term authority to import and export natural gas from and to Canada. On October 27, 2017, DOE/FE issued DOE/FE Order No. 3765-A which amended DOE/FE Order No. 3765 to reflect a corporate name change. On February 28, 2018, DOE/FE issued DOE/FE Order No. 3765-B increasing Irving’s authorization to import and export natural gas from and to Canada. Pursuant to these three Orders, Irving is currently permitted to import into the United States up to 14 billion cubic feet (“Bcf”) of natural gas per year from Canada and to export from the United States up to 26 Bcf per year of natural gas to Canada. This authorization is valid through October 31, 2033.

I. Request for Increased and Extended Authority

As we discussed, Irving now plans to increase its purchases in Canada on the TransCanada Pipeline by approximately 8 Bcf of natural gas per year. Based on that increase, Irving plans to import up to 22 Bcf of natural gas per year (14 Bcf reflecting the original volume already authorized by the three Orders plus 8 Bcf reflecting the additional purchases). Similarly, Irving plans to export up to 34 Bcf of natural gas per year to Canada (26 Bcf reflecting the original volume already authorized by the three Orders plus 8 Bcf of additional volume from the increased purchase).

Accordingly, Irving hereby requests that DOE/FE amend Order No. 3765-B. Such amendment would provide Irving with authority to (i) import from Canada up to 22

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<sup>1</sup> 15 USC Section 717b.

billion cubic feet ("Bcf") of natural gas per year into the United States and (ii) export from the United States up to 34 Bcf of natural gas per year to Canada. In addition, Irving requests that the Order be extended until 2041.

## II. Natural Gas Act – Standard of Public Interest

Under section 3(c) of the Natural Gas Act, as amended by the Energy Policy Act, the import and export of natural gas from and to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas are deemed to be consistent with the public interest. The United States and Canada have such a free trade agreement. Therefore, Irving believes that its request meets the section 3(c) criterion and is consistent with the public interest.

## III. Notification

Pursuant to DOE/FE Order No. 3765-B, Irving had contemplated that purchases of natural gas from its suppliers in the U.S. would begin in 2018. However, while the contractual agreements remain in place between Irving and its suppliers, the additional capacity on the Algonquin Gas Transmission line has not been made available due to permitting delays. Irving believes that it will not be able to receive this natural gas from these suppliers and export it to Canada until early or mid-2020. The pipeline will notify Irving of a more precise date later this year.

## IV. Administrative Compliance

A hard copy of this letter and a check for the \$50 processing fee have been sent by overnight courier to the Office of Fossil Energy.

Irving would be pleased to respond to any questions you may have regarding this request to amend DOE/FE Order No. 3765-B.

Respectfully submitted

A handwritten signature in black ink that reads "Andrea Grant". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Andrea Grant  
Martin Schaefermeier  
Counsel for  
Irving Oil Commercial GP and  
Irving Oil Terminals Operations LLC