

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

STABILIS ENERGY SERVICES LLC

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)
) FE DOCKET NO. 14-84-LNG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT LIQUEFIED NATURAL GAS
FROM AND TO CANADA AND MEXICO BY TRUCK,
RAIL, BARGE, AND NON-BARGE WATERBORNE VESSELS

DOE/FE ORDER NO. 3463

JULY 25, 2014

I. DESCRIPTION OF REQUEST

On June 19, 2014, Stabilis Energy Services LLC (Stabilis) 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 liquefied natural gas (LNG) from and to Canada and Mexico by truck, rail, barge, or non-barge waterborne vessels, up to a combined total of the equivalent of 12 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on the date the Order is signed. Stabilis is a Texas limited liability company with its principal place of business in Beaumont, Texas.

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 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 must be granted without modification or delay. The authorization sought by Stabilis to import and export LNG from and to Canada and Mexico by truck, rail, barge, and non-barge waterborne vessels, nations with which free trade agreements are 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.

¹ The 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. 00-002.04F issued on July 11, 2013.

ORDER

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

A. Stabilis is authorized to import and export LNG from and to Canada and Mexico by truck, rail, barge, or non-barge waterborne vessels up to a combined total of the equivalent of 12 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 beginning on July 25, 2014, and extending through July 24, 2016.

B. This LNG may be imported or exported by truck, rail, barge, and non-barge waterborne vessels to or from any points of import or export within the United States.

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/or exports of LNG authorized by this Order, Stabilis shall file with the Office of Oil and Gas Global Security and Supply 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 no imports or exports have been made, a report of “no activity” for that month must be filed.

If imports of LNG by barge or non-barge waterborne vessels 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 barge or non-barge vessel; (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 imports of LNG by truck or rail have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. receiving facility; (2) the country of origin; (3) the point(s) of entry; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the LNG transporter(s); (6) the volume in Mcf; (7) the price per MMBtu at the point of entry; (8) the duration of the supply agreement; and (9) the geographic market(s) served (list State(s); U.S. Census Region(s), or general U.S. geographic area(s)).

If exports of LNG by barge or non-barge 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(s) of the supplier(s)/seller(s); (5) the name(s) of the LNG tankers; (6) the volume in Mcf; (7) the price per MMBtu at the point of exit; (8) the name(s) of the purchaser(s); and (9) the duration of the supply agreement.

If exports of LNG by truck or rail have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. departure facility; (2) the country of destination; (3) the point(s) of exit; (4) the name(s) of the supplier(s)/seller(s); (5) the name(s) of the LNG transporter(s); (6) the volume in Mcf; (7) the price per MMBtu at the point of exit; and (8) the duration of the supply agreement.

(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

F. The first monthly report required by this Order is due not later than August 30, 2014, and should cover the reporting period from July 25, 2014 through July 31, 2014.

G. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Division of Natural Gas Regulatory Activities, Office of Oil and Gas Global Security and Supply, 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 at (202) 586-6050.

Issued in Washington, D.C., on July 25, 2014.

A handwritten signature in black ink, appearing to read "John A. Anderson", is positioned above a horizontal line.

John A. Anderson
Director, Division of Natural Gas Regulatory Activities
Office of Oil and Gas Global Security and Supply
Office of Oil and Natural Gas