

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CRYOPEAK LNG SOLUTIONS CORPORATION

FE DOCKET NO. 14-126-LNG

ORDER GRANTING BLANKET AUTHORIZATION
TO
IMPORT AND EXPORT LIQUEFIED NATURAL GAS
FROM AND TO CANADA AND MEXICO
BY TRUCK AND VESSEL

DOE/FE ORDER NO. 3677

JULY 1, 2015

I. DESCRIPTION OF REQUEST

On September 5, 2014, Cryopeak LNG Solutions Corporation (Cryopeak LNG), formerly known as Liquiline LNG Solutions Corporation (Liquiline),¹ 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),² for blanket authorization to import and export liquefied natural gas (LNG) from and to Canada and Mexico by truck and vessel, up to a combined total volume equivalent to 2 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on March 15, 2015.³ Cryopeak LNG is a Canadian corporation incorporated in British Columbia with its principal place of business in Vancouver, British Columbia, Canada.

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 applications for such imports or exports must be granted without modification or delay. The authorization sought by Cryopeak LNG to import and export LNG from and to Canada and

¹ On September 3, 2014, Cryopeak LNG notified DOE/FE that, effective August 6, 2014, Liquiline LNG had changed its name to Cryopeak LNG.

² 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. 00-006.02 issued on November 17, 2014.

³ Cryopeak LNG's predecessor, Liquiline LNG, held a blanket authorization from DOE/FE granted in DOE/FE Order No. 3256 on March 15, 2013, and extending through March 14, 2015. That Order authorized Liquiline LNG to import and export natural gas from and to Canada and Mexico, to import LNG from Canada and Mexico by truck, to export LNG to Canada and Mexico by vessel, and to import LNG from various international sources by vessel.

Mexico by truck and vessel, 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.

ORDER

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

A. Cryopeak LNG is authorized to import and export LNG from and to Canada and Mexico by truck and vessel, up to a combined total volume equivalent to 2 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 March 15, 2015, and extends through March 14, 2017.

B. This LNG may be imported by truck to any LNG receiving facility in the United States and its territories. This LNG may be imported by vessel to any receiving terminal in the United States and its territories. This LNG may be exported by truck from any LNG loading facility in the United States and its territories. This LNG may be exported by vessel from any LNG export terminal 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 imports and/or exports of LNG authorized by this Order, Cryopeak LNG 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 truck 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 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 import; (8) the duration of the supply agreement (indicate spot purchases); and (9) the geographic market served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

If exports of LNG by truck 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.

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 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 areas(s)).

If exports of LNG by 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)

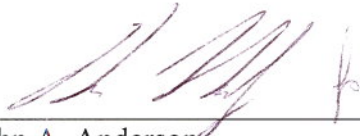
the name(s) of the LNG tankers; (6) the volume in Mcf; (7) the price per MMBtu at the point of exit; (8) the name(s) of the purchaser(s); and (9) the duration of the supply agreement.

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

E. The first several monthly reports required by this Order are due not later than August 30, 2015, and should cover the reporting period from March 15, 2015, through July 30, 2015.

F. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Oil and Gas Global Security and Supply, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Natural Gas Reports. Alternatively, reports may be e-mailed to ngreports@hq.doc.gov, or may be faxed to Natural Gas Reports at (202) 586-6050.

Issued in Washington, D.C., on July 1, 2015.



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Office of Oil and Natural Gas