

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

PROVIDENCE SHIPPING GROUP, INC.

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FE DOCKET NO. 16-89-LNG

ORDER GRANTING BLANKET AUTHORIZATION
TO EXPORT LIQUEFIED NATURAL GAS
TO MEXICO BY VESSEL

DOE/FE ORDER NO. 3864

JULY 8, 2016

I. DESCRIPTION OF REQUEST

On June 28, 2016, Providence Shipping Group, Inc. (Providence) 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 export liquefied natural gas (LNG) to Mexico by vessel, up to a total volume equivalent to 5 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on September 1, 2016. Providence is a California corporation with its principal place of business in San Diego, California.

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 Providence to export LNG to Mexico by vessel, a nation with which a free trade agreement is 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 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.

ORDER

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

A. Providence is authorized to export LNG to Mexico by vessel, up to a total volume equivalent to 5 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 September 1, 2016, and extending through August 31, 2018.

B. This LNG may be exported by vessel from any LNG export terminal in the United States and its territories.

C. **Monthly Reports:** With respect to the imports and/or exports of LNG authorized by this Order, Providence shall file with the Office of Regulation and International Engagement, within 30 days following the last day of each calendar month, a report indicating whether exports of LNG have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no exports have been made, a report of “no activity” for that month must be filed.


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 of the LNG tanker; (5) the name of the supplier/seller; (6) the volume in Mcf; (7) the price per MMBtu at the point of exit; (8) the duration of the supply agreement (indicate spot sales); and (9) the name(s) of the purchaser(s).

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

E. The first monthly report required by this Order is due not later than October 30, 2016, and should cover the reporting period from September 1, 2016, through September 30, 2016.

F. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Regulation and International Engagement, 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 8, 2016.



John A. Anderson
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Office of Oil and Natural Gas