UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

ENERGY SOURCE NATURAL GAS INC.	)	FE DOCKET NO. 14-97-NG

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

DOE/FE ORDER NO. 3472

AUGUST 21, 2014

I. DESCRIPTION OF REQUEST

On July 21, 2014, Energy Source Natural Gas Inc. (Energy Source) 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 up to a combined total of 1 billion cubic feet (Bcf) of natural gas from and to Canada. The applicant requests the authorization be granted for a two-year term beginning on July 1, 2014. Energy Source is a Canadian corporation with its principal place of business in Guelph, Ontario. Its sister company is Energy Source Canada Inc., described below.

Previously, on January 16, 2014, Energy Source Canada Inc. was granted authorization in DOE/FE Order No. 3382 to import and export natural gas from and to Canada for a two-year term beginning on March 31, 2014, and extending through March 30, 2016. On July 23, 2014, Energy Source Canada Inc. requested that DOE/FE vacate Order 3382 effective July 1, 2014, because it is transferring all activity to its sister company, Energy Source Natural Gas Inc. (the applicant in this proceeding). Therefore, Order 3382 will be superseded by the currently proposed authorization, and will be effective retroactively on July 1, 2014.

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 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

[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.

interest, and applications for such imports or exports must be granted without modification or delay. The authorization sought by Energy Source to import and export natural gas from and to Canada, a nation with which a free trade agreement 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. Energy Source is authorized to import and export up to a combined total of 1 Bcf of natural gas from and to Canada, 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 July 1, 2014, and extends through June 30, 2016.

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

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, Energy Source 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 or exports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports and/or exports have been made, a report of "no activity" for that month must be filed. If imports and/or exports of natural gas have occurred, the report must give the following details: (1) for imports, the country of origin; (2) for exports, the country of destination; (3) the point(s) of entry and exit; (4) the volume in thousand cubic feet (Mcf); (5) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (6) the name of the supplier(s); (7) the name of the U.S. transporter(s); (8)

the estimated or actual duration of the supply agreement(s); and (9) for imports, the geographic markets(s) 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 August 30, 2014, and should cover the reporting period from July 1, 2014, through July 31, 2014.

E. 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.doe.gov, or may be faxed to Natural Gas Reports at (202) 586-6050.

F. Energy Source Canada Inc.'s blanket authorization to import and export natural gas from and to Canada, granted in DOE/FE Order No. 3382, issued January 16, 2014, is hereby vacated effective July 1, 2014.

Issued in Washington, D.C., on August 21, 2014.

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