UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TRAILSTONE NA LOGISTICS, LLC	)	FE DOCKET NO. 14-106-NG

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

DOE/FE ORDER NO. 3477

AUGUST 21, 2014

I. DESCRIPTION OF REQUEST

On August 1, 2014, TrailStone NA Logistics, LLC (TrailStone) filed an application with the Office of Fossil Energy (FE) of the Department of Energy under section 3 of the Natural Gas Act (NGA)[1] for blanket authorization to import and export natural gas from and to Canada, and to export natural gas to Mexico, up to a combined total of 1,100 billion cubic feet (Bcf). The applicant requests the authorization be granted for a two-year term beginning on the date of this Order. TrailStone is a Delaware limited liability company with its principal place of business in Austin, 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 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 interest, and applications for such imports or exports must be granted without modification or delay. The authorization sought by TrailStone to import and export natural gas from and to Canada, and to export natural gas to Mexico, nations with which free trade agreements are 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.

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[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. TrailStone is authorized to import and export natural gas from and Canada, and to export natural gas to Mexico, up to a combined total of 1,100 Bcf, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term beginning on August 21, 2014, and extending through August 20, 2016.

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

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, TrailStone 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 September 30, 2014, and should cover the reporting period from August 21, 2014, through August 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.

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