

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

FORTISBC ENERGY INC.)
_____)

FE DOCKET NO. 11-22-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS FROM AND TO CANADA,
AND TO EXPORT LIQUEFIED NATURAL GAS TO CANADA BY TRUCK
AND VACATING PRIOR AUTHORIZATION

DOE/FE ORDER NO. 2925

MARCH 8, 2011

I. DESCRIPTION OF REQUEST

On March 3, 2011, FortisBC Energy Inc. (FortisBC) 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 natural gas from and to Canada, and to export liquefied natural gas (LNG) to Canada by truck, up to a combined total of the equivalent of 25 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on March 1, 2011.² FortisBC is a Canadian corporation with its principal place of business in Surrey, British Columbia.

Additionally, on February 19, 2009, Terasen Gas Inc. (Terasen) was granted authorization in DOE/FE Order No. 2619 to import and export natural gas from and to Canada for a two-year term beginning May 1, 2009, and extending through April 30, 2011. On March 3, 2011, Terasen notified DOE that the company had legally changed its name to FortisBC on March 1, 2011, and requested that DOE/FE Order No. 2619 be vacated as of that date.

II. FINDING

The application has been evaluated to determine if the proposed import and 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

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. 00-002.04D issued on November 6, 2007.

²/ Terasen Gas Inc.'s blanket authorization to import and export natural gas from and to Canada granted in DOE/FE Order No. 2619 on February 19, 2009, extends through April 30, 2011; however, Terasen Gas Inc. legally changed its name to FortisBC Energy Inc. on March 1, 2011.

granted without modification or delay. The authorization sought by FortisBC to import and export natural gas from and to Canada, and to export LNG to Canada by truck, 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. FortisBC is authorized to import and export natural gas from and to Canada, and to export LNG to Canada by truck, up to a combined total of the equivalent of 25 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 March 1, 2011, and extending through February 28, 2013.

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

C. This LNG may be exported by truck at any point on the border between the United States and Canada.

D. **Monthly Reports:** With respect to the natural gas imports and exports, and the exports of LNG authorized by this Order, FortisBC shall file with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar month, a report indicating whether imports and/or exports of natural gas or LNG have been made. Monthly reports shall be filed whether or not initial deliveries have begun. If imports and/or exports have not occurred, 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 market(s) 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.

(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 June 30, 2011, and should cover the reporting period from May 1, 2011, through May 31, 2011.

F. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Natural Gas Regulatory Activities, P.O. Box 44375, Washington, D.C. 20026-4375, Attention: Ms. Yvonne Caudillo. Alternatively, reports may be e-mailed to Ms. Caudillo at Yvonne.caudillo@hq.doe.gov or ngreports@hq.doe.gov, or may be faxed to Ms. Caudillo at (202) 586-6050.

G. Terasen's blanket authorization to import and export natural gas from and to Canada granted in DOE/FE Order No. 2619, issued on February 19, 2009, is hereby vacated effective March 1, 2011.

Issued in Washington, D.C., on March 8, 2011.

A handwritten signature in blue ink, appearing to read "John A. Anderson", written over a horizontal line.

John A. Anderson
Manager, Natural Gas Regulatory Activities
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy