## UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY



PACIFIC SUMMIT ENERGY LLC )

FE DOCKET NO. 07-57-NG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA AND MEXICO AND TO IMPORT LIQUEFIED NATURAL GAS FROM OTHER INTERNATIONAL SOURCES

DOE/FE ORDER NO. 2379

JULY 17, 2007

## I. DESCRIPTION OF REQUEST

On June 7, 2007, Pacific Summit Energy LLC filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA), for blanket authorization to import natural gas from Canada and Mexico, and to import liquefied natural gas (LNG) from other international sources, up to a combined total of 24 billion cubic feet of natural gas. The applicant requests the authorization be granted for a two-year term beginning on August 1, 2007. Pacific Summit Energy LLC is a Delaware corporation with its principal place of business in Newport Beach, California.

## II. FINDING

The application has been evaluated to determine if the proposed import 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 granted without modification or delay. The authorization sought by Pacific Summit Energy LLC to import natural gas from Canada and Mexico, nations with which a free trade agreement is in effect, and to import LNG from other international sources, 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.

<sup>1/15</sup> U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redelegation Order No. 00.002.04C (January 30, 2007).

<sup>2</sup>/ Pacific Summit Energy LLC's blanket authorization granted in DOE/FE Order No. 2113 on July 20, 2005, extends through July 31, 2007 (2 FE ¶ 71,155).

## **ORDER**

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Pacific Summit Energy LLC is authorized to import natural gas from Canada and Mexico, and to import liquefied natural gas (LNG) from other international sources, up to a combined total of 24 billion cubic feet (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 August 1, 2007, and extending through July 31, 2009.

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

C. This LNG may be imported at any LNG receiving facility in the United States and its territories.

D. Monthly Reports: With respect to the natural gas imports, and the import of LNG authorized by this Order, Pacific Summit Energy LLC 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 of natural gas or LNG have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that month must be filed. If imports of natural gas have occurred, the report must give the following details: (1) country of origin; (2) the point(s) of entry; and (3) the total volume at each import point in thousand cubic feet (Mcf) for the month. If imports of LNG have occurred, the report must give the details of each LNG cargo: (1) the date of arrival at the U.S. receiving terminal; (2) the country of origin; (3) the name of the supplier/seller; (4) the name of the U.S. receiving terminal; (5) the name of the LNG tanker; (6) the volume in thousand cubic feet (Mcf) and million British thermal units (MMBtu); (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 States). [OMB No. 1901-0294]

E. The first monthly report required by this Order is due not later than September 30, 2007, and should cover the reporting period from August 1, 2007 through August 31, 2007.

F. Quarterly Reports: With respect to the natural gas imports, and the import of LNG authorized by this Order, Pacific Summit Energy LLC shall file with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar quarter, reports indicating whether imports of natural gas or LNG have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports of natural gas or LNG have been made, a report of "no activity" for that calendar quarter must be filed. If imports of natural gas have occurred, the report must give the details of each transaction, including: (1) the total monthly volumes in Mcf; (2) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (3) the name of the supplier(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the supply agreement(s); (6) the name of the United States transporter(s); (7) the point(s) of entry; and (8) the geographic market(s) served, by State. If imports of LNG have occurred, the report must give the details of each LNG cargo: (1) the date of arrival at the U.S. receiving terminal; (2) the country of origin; (3) the name of the supplier/seller; (4) the name of the U.S. receiving terminal; (5) the name of the LNG tanker; (6) the volume in Mcf and MMBtu; (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); (10) the geographic market served (list States). [OMB No. 1901-0294]

- G. The first quarterly report required by this Order is due not later than October 30, 2007, and should cover the period from August 1, 2007 through the end of the third calendar quarter, September 30, 2007.
- H. Both the monthly and quarterly reports shall be filed with the U.S. Department of Energy, Office of Natural Gas Regulatory Activities, FE-34, P.O. Box 44375, Washington, D.C. 20026-4375.

Issued in Washington, D.C., on July 17, 2007.

R F Corbin

Manager, Natural Gas Regulatory Activities Office of Oil and Gas Global Security and Supply Office of Fossil Energy