UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY AND CARBON MANAGEMENT

SAPPHIRE GAS SOLUTIONS

DOCKET NO. 22-28-LNG

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

DOE/FECM ORDER NO. 4816

MAY 9, 2022

I. <u>DESCRIPTION OF REQUEST</u>

On March 30, 2022, Sapphire Gas Solutions filed an application with the Office of Fossil Energy and Carbon Management (FECM) of the Department of Energy (DOE) requesting blanket authorization under section 3 of the Natural Gas Act (NGA)¹ for the authority summarized in the list below. The applicant requests the authorization for a two-year term beginning on May 9, 2022. Sapphire Gas Solutions is a Delaware limited liability company with its principal place of business in Conroe, Texas.

- 1. Import liquefied natural gas (LNG) from Canada by truck at any LNG receiving facility in the United States and its territories
- 2. Import LNG from Mexico by truck at any LNG receiving facility in the United States and its territories
- 3. Export LNG to Canada by truck from any LNG departure facility in the United States and its territories
- 4. Export LNG to Mexico by truck from any LNG departure facility in the United States and its territories

Import and export authority was requested for up to a combined total volume equivalent to 5 billion cubic feet (Bcf) of natural gas.

^{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 Fossil Energy in Redelegation Order No. S4-DEL-FE1-2021, issued on March 25, 2021. On July 4, 2021, the Office of Fossil Energy changed its name to the Office of Fossil Energy and Carbon Management.

II. FINDING

DOE has evaluated the application to determine if the proposed import and/or export arrangements meet 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 NGA section 3(c), imports and exports of natural gas, including LNG, from or to any country with which the United States has entered into a free trade agreement (FTA) 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.² DOE must grant such applications without modification or delay.³ The authorization sought by Sapphire Gas Solutions meets the NGA section 3(c) criteria and, therefore, is deemed to be consistent with the public interest.

ORDER

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

A. Sapphire Gas Solutions is authorized for the activity described in the list below. This authorization shall be effective for a two-year term beginning on May 9, 2022, and extending through May 8, 2024.

- 1. Import LNG from Canada by truck at any LNG receiving facility in the United States and its territories
- 2. Import LNG from Mexico by truck at any LNG receiving facility in the United States and its territories
- 3. Export LNG to Canada by truck from any LNG departure facility in the United States and its territories
- 4. Export LNG to Mexico by truck from any LNG departure facility in the United States and its territories

The applicant is authorized to import and export up to a combined total volume equivalent to 5 Bcf of natural gas.

B. **Monthly Reports:** With respect to the imports and/or exports authorized by this Order, Sapphire Gas Solutions shall file with the Office of Regulation, Analysis, and Engagement, within 30 days following the last day of each calendar month, a report on Form FE-746R indicating whether imports and/or exports 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 have occurred, the report must provide the information specified for each applicable activity and mode of transportation, as set forth in the Guidelines for Filing Monthly Reports. These Guidelines are available at: https://www.energy.gov/fe/services/natural-gas-regulation/guidelines-filing-monthly-reports.

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

C. The first monthly report required by this Order is due not later than June 30, 2022, and should cover the reporting period from May 9, 2022 through May 31, 2022.

Issued in Washington, D.C., on May 9, 2022.

Amy R. Sweeney

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Director, Office of Regulation, Analysis, & Engagement

Office of Resource Sustainability

Digitally signed by Amy R. Sweeney. Date: 2022.05.09 06:12:49 -04:00