December 5, 2013

Mr. John Anderson
U.S. Department of Energy
Office of Fossil Energy
Docket Room 3F-056, FE-50
Forrestal Building
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Re: Encana Natural Gas Inc., Docket No. 13-LNG
Application for Renewal of Blanket Authorization to Import and Export Liquefied Natural Gas from and to Canada and Mexico

Dear Mr. Anderson:

Pursuant to Section 3 of the Natural Gas Act, 15 U.S.C. § 717b, and Part 590 of the regulations of the Department of Energy, 10 C.F.R. Part 590 (2013), Encana Natural Gas Inc. hereby files an original and fifteen (15) copies of its Application for Renewal of Blanket Authorization to Import and Export Liquefied Natural Gas from and to Canada and Mexico. An electronic copy of the application is also provided on the enclosed compact disk. A check in the amount of $50 is being provided under separate cover as the filing fee stipulated by 10 C.F.R. § 590.207 (2013). I have enclosed four (4) extra copies of the application to be date-time stamped and returned to our messenger.

Thank you for your attention to this matter. If you have any questions regarding this filing, please contact the undersigned at (202) 429-8801.

Respectfully submitted,

[Signature]
Douglas F. John
Elizabeth A. Zemraski
Counsel for Encana Natural Gas Inc.

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

In the Matter of:  

ENCANA NATURAL GAS INC.  

Docket No. 13-B LNG

APPLICATION OF ENCANA NATURAL GAS INC. FOR RENEWAL OF BLANKET AUTHORIZATION TO IMPORT AND EXPORT LIQUEFIED NATURAL GAS FROM AND TO CANADA AND MEXICO

Pursuant to Section 3 of the Natural Gas Act ("NGA"), 15 U.S.C. Section 717b, and Part 590 of the Department of Energy's ("DOE") regulations, 10 C.F.R. Part 590 (2013), Encana Natural Gas Inc. ("ENGI") hereby submits this application to the Office of Fossil Energy ("FE") to renew its currently-effective blanket authorization to import and export liquefied natural gas ("LNG") from and to Canada and Mexico by truck, rail, barge, and non-barge waterborne vessels.

In support of this application, ENGI respectfully offers the following:

I. COMMUNICATIONS

Correspondence and communications regarding this application should be addressed to the following:

ENGI Contact Information:  
Robert Hampton  
Encana Natural Gas Inc.  
370 17th Street, Suite 1700  
Denver, CO 80202  
Phone: (720) 876-3973  
Fax: (720) 876-3595  
Email: Robert.Hampton@Encana.com

Counsel Contact Information:  
Douglas F. John, Esq.  
John & Hengerer  
1730 Rhode Island Avenue, NW  
Suite 600  
Washington, D.C. 20036-3116  
Phone: (202) 429-8801  
Fax: (202) 429-8805  
Email: djohn@jhenergy.com
II.

DESCRIPTION OF APPLICANT

ENGI is a corporation organized under the laws of the State of Delaware, with its principal place of business at 370 17th Street, Suite 1700, Denver, Colorado 80202. ENGI is owned by Encana Corporation, which has its principal place of business in Calgary, Alberta. ENGI is engaged in the business of producing LNG or purchasing LNG from various sources in Canada and the United States, arranging the transport of such LNG from one point to another, and reselling that LNG to various customers in Canada and the United States. ENGI may expand its operations to include Mexico in the future.

In Order No. 3071, DOE/FE authorized ENGI to import and export LNG from and to Canada and Mexico by truck, rail, barge, or non-barge waterborne vessels at all points of import and export, including the Great Lakes, St. Lawrence Seaway, or Puget Sound areas, on a blanket basis.\(^1\) The export authorization granted to ENGI in Order No. 3071 is effective for a two-year term beginning on February 15, 2012 and extending through February 14, 2014.

III.

AUTHORIZATION REQUESTED

In this application, ENGI seeks to renew the blanket authorization that it was granted in Order No. 3071, which authorization expires on February 14, 2014. Specifically, ENGI requests authorization to import and export LNG from and to Canada and Mexico combined total of up to 12 Bcf of natural gas over a two-year term. The requested authorization will enable ENGI to participate in short-term or spot-market LNG transactions with United States, Canadian, or Mexican customers. Since a transaction arranged by ENGI may be structured with ENGI either purchasing and taking title to the LNG, or acting as agent for its United States, Canadian, or Mexican suppliers or customers, ENGI requests authorization to import and export LNG for its

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\(^1\) Encana Natural Gas Inc., DOE/FE Order No. 3071 (Feb. 15, 2012).
own account as well as for the account of its United States, Canadian, or Mexican suppliers and customers. ENGI is willing to comply with the agency requirements imposed by DOE/FE in Order No. 3071 as well as other recent orders.

ENGI’s LNG activities may involve deliveries or receipts of LNG via truck, rail, barge, or non-barge waterborne vessels in the Great Lakes, St. Lawrence Seaway, or Puget Sound areas. Therefore, like the authorization granted by Order No. 3071, ENGI requests that import and export authority be granted to include all of these methods of transportation.

ENGI’s negotiations with prospective customers in the United States, Canada, and Mexico are of a continuing nature. Therefore, ENGI requests that such import and export authority be granted on a blanket basis at all points of import and export from and to Canada and Mexico to provide ENGI with the flexibility necessary to respond quickly to these marketing opportunities. ENGI cannot be competitive with other sellers if it must apply for import and export authorization for each transaction. The subject application is similar to other blanket import and export arrangements approved by DOE/FE.

IV.
PUBLIC INTEREST

Section 3(c) of the NGA, as amended by the Energy Policy Act of 1992, provides that the importation and exportation of LNG from or to a nation with which there is in effect a free trade agreement shall be deemed to be within the public interest and that applications for such importation and exportation shall be granted without modification or delay. Because ENGI’s

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2 See Puget Sound Energy, Inc., DOE/FE Order No. 2985 (Jul. 18, 2011) (authorizing Puget Sound Energy Inc. to use its authorization to purchase and import LNG for its own account as well as for the account of its Canadian or United States suppliers and purchasers).

3 See, e.g., Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC, DOE/FE Order No. 2913 (Feb. 10, 2011) (approving applicants’ proposal to register each LNG title holder for whom they seek to export LNG as agent).

application is for authorization to import and export LNG from and to Canada and Mexico, ENGI submits that its application meets the NGA Section 3(c) criterion and, therefore, is consistent with the public interest.

V. ENVIRONMENTAL IMPACT

No new facilities will be constructed in the United States for the proposed importation and exportation of natural gas. Consequently, granting this application will not be a federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act, 42 U.S.C. § 4321, et seq. Therefore, an environmental impact statement or environmental assessment is not required.

VI. REPORTING REQUIREMENTS

With respect to all imports and exports made pursuant to the authorization requested herein, ENGI will file with the Office of Natural Gas Regulatory Activities, within 30 days of the last day of each calendar month, reports indicating whether imports and/or exports of LNG have occurred, and if so, the details of each transaction, including the total volumes of imports and exports in Mcf and the average price for the imports and exports per MMBtu at the international border. In Order No. 3071, DOE/FE required ENGI to report certain information depending upon whether the LNG was import or exported, and the method by which the LNG was imported or exported.

VII. APPENDICES

The following appendices are attached hereto:

Appendix A: Verification

Appendix B: Opinion of Counsel
VIII.
CONCLUSION

WHEREFORE, for the foregoing reasons, ENGI respectfully requests that the DOE/FE expeditiously consider the instant application and, pursuant to Section 3 of the NGA and Part 590 of the DOE’s regulations, grant its request for blanket import and export authorization. ENGI submits that a grant of such authorization is not be inconsistent with the public interest. ENGI specifically requests DOE/FE action on this application before its currently-effective authorization expires on February 14, 2014.

Respectfully submitted,

[Signature]
Douglas F. John
Elizabeth A. Zembruski
JOHN & HENGERER
1730 Rhode Island Avenue, N.W.
Suite 600
Washington, D.C. 20036-3116
Phone: (202) 429-8801
Email: djohn@jhenergy.com

Counsel for Encana Natural Gas Inc.

Appendix A

Verification
VERIFICATION

STATE OF COLORADO )
) SS:
CITY AND COUNTY OF DENVER )

BEFORE ME, the undersigned authority, on this day personally appeared Jeff Jarvis, who, having been by me first duly sworn, on oath says that he is Assistant Secretary of Encana Natural Gas Inc.; that he is familiar with the contents of the foregoing application; and that the matters set forth therein are true and correct to the best of his knowledge, information and belief.

[Signature]
Jeff Jarvis

Sworn to and subscribed before me, a Notary Public, this 4th day of November 2013.

(NOTARIAL SEAL)

[Seal]
Kryptal Schledintz
Notary Public

My Commission Expires: 01/06/2014
Appendix B

Opinion of Counsel
December 5, 2013

Office of Fuels Program  
Fossil Energy, U.S. Department of Energy  
Docket Room 3F-056, FE-50  
Forrestal Building  
1000 Independence Avenue, S.W.  
Washington, D.C. 20585

Re: Encana Natural Gas Inc., Application for Renewal of Blanket Authorization to Import and Export Liquefied Natural Gas From and To Canada and Mexico

Dear Sir or Madam:

This opinion of counsel is provided in accordance with the requirements of Section 590.202(c) of the U.S. Department of Energy’s regulations, 10 C.F.R. § 590.202(c) (2013). I have examined the Certificate of Incorporation of Encana Natural Gas Inc. (“ENGI”) and other authorities as necessary, and have concluded that the proposed importation and exportation of liquefied natural gas by ENGI is within its corporate powers. Further, ENGI is authorized to do business in Colorado and other U.S. states and to engage in foreign commerce.

Respectfully submitted,

 Douglas F. John  
Counsel for Encana Natural Gas Inc.