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

DOE/FE ORDER NO. 2415

OCTOBER 10, 2007
I. DESCRIPTION OF REQUEST

On September 28, 2007, Dynegy Marketing and Trade (Dynegy) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),\(^1\) for blanket authorization to import up to 300 billion cubic feet (Bcf) of natural gas from Canada, and to export up to 165 Bcf of natural gas to Canada. Dynegy also requests authority to import up to 300 Bcf of natural gas from Mexico, and to export up to 165 Bcf of natural gas to Mexico. The applicant requests the authorization be granted for a two-year term beginning on October 31, 2007.\(^2\) Dynegy is a Colorado partnership with its principal place of business in Houston, Texas.

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 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 must be granted without modification or delay. The authorization sought by Dynegy to import and export natural gas from and to Canada and Mexico, nations with which a free trade agreement is 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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\(^1\) 15 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).
\(^2\) Dynegy Marketing and Trade’s blanket authorization granted in DOE/FE Order No. 2144 on October 28, 2005, extends through October 30, 2007 (2 FE ¶ 71,195).
ORDER

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

A. Dynegy Marketing and Trade (Dynegy) is authorized to import up to 300 billion cubic feet (Bcf) of natural gas from Canada, and to export up to 165 Bcf of natural gas to Canada. Dynegy is also authorized to import up to 300 Bcf of natural gas from Mexico, and to export up to 165 Bcf of natural gas to Mexico. This authorization shall be effective for a two-year term beginning on October 31, 2007, and extending through October 30, 2009.

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

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, Dynegy 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 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, country of origin; (2) for exports, the country of destination; (3) the point(s) of entry and exit; and (4) the total volume at each import or export point in thousand cubic feet (Mcf) for the month. [OMB No.: 1901-0294]

D. The first monthly report required by this Order is due not later than November 30, 2007, and should cover activity occurring on October 31, 2007.

E. **Quarterly Reports:** With respect to the natural gas imports and exports authorized by this Order, Dynegy 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 and/or exports of natural gas have been made. Quarterly reports must be
filed whether or not initial deliveries have begun. If no imports and/or exports of natural gas 
have been made, a report of “no activity” for that calendar quarter must be filed. If imports 
or exports 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 
or exit; and (8) for imports, the geographic market(s) served, by State.

[OMB No. 1901-0294]

F. The first quarterly report required by this Order is due not later than January 30, 
2008, and should cover the reporting period from October 31, 2007 through December 31, 
2007.

G. 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.

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