

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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ENERGÍA CHIHUAHUA, S.A. DE C.V.

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) FE DOCKET NO. 08-136-NG  
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ORDER GRANTING LONG-TERM AUTHORIZATION TO  
EXPORT NATURAL GAS TO MEXICO,  
AND VACATING PRIOR AUTHORIZATION

DOE/FE ORDER NO. 2592

DECEMBER 18, 2008

## I. DESCRIPTION OF REQUEST

On November 19, 2008, Energía Chihuahua S.A. de C.V. (Energía Chihuahua) filed an application with the Office of Fossil Energy (FE) of the Department of Energy, under section 3 of the Natural Gas Act (NGA),<sup>1</sup> for long term authorization to export up to 48,000 MMBtu of natural gas per day to Mexico. The applicant requests the authorization be granted for a term of five (5) years beginning November 10, 2008. Energía Chihuahua is a Mexican corporation. Energía Chihuahua's principal place of business is located in Mexico City, Mexico.

Energía Chihuahua will purchase the natural gas under a Fuel Supply Agreement (Supply Agreement) with Fortis Energy Marketing & Trading GP (Fortis), dated April 15, 2003 and amended and restated in its entirety as of May 1, 2007. The exported natural gas will be used as fuel for Energía Chihuahua's natural gas-fired power facility near Ciudad Juárez, Chihuahua, Mexico. The exported natural gas will be delivered from Fortis's Keystone Permian Basin Pool to Energía Chihuahua's Keystone Permian Basin Pool on El Paso Natural Gas Pipeline Company's (EPNGC) pipeline near Clint, Texas.

Additionally, on June 20, 2008, TransAlta Chihuahua S.A. de C.V. (TAC) was granted authorization in DOE/FE Order No. 2506 to export natural gas to Mexico for a term of five (5) years beginning July 16, 2008, and extending through July 15, 2013 (2 FE ¶ 71,633). On October 8, 2008, TAC was indirectly acquired by InterGen LAN I B.V. and InterGen LAN II B.V., both wholly-owned subsidiaries of InterGen N.V. On November 10, 2008, TAC changed its name to Energía Chihuahua, S.A. de C.V. As a result, Energía Chihuahua requests that DOE/FE Order No. 2506 be vacated, effective November 10, 2008, since the proposed authorization will supersede the current long-term authorization.

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<sup>1</sup>/ 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for FE pursuant to Redefinition Order No. 00.002.04D (November 6, 2007).

## II. FINDING

The application has been evaluated to determine if the proposed 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 Energía Chihuahua to export natural gas to Mexico, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest.

## ORDER

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

A. Energía Chihuahua is authorized to export up to 48,000 MMBtu of natural gas per day to Mexico, under a Supply Agreement with Fortis dated April 15, 2003 and amended and restated in its entirety as of May 1, 2007. The authorization shall be effective for a term of five (5) years which began on November 10, 2008, and will extend through November 9, 2013.

B. This natural gas may be exported at a point on the international border between the United States and Mexico on EPNGC's pipeline near Clint, Texas.

C. **Monthly Reports:** With respect to the natural gas exports authorized by this Order, Energía Chihuahua shall file a report with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar month indicating whether

exports of natural gas have been made. Monthly reports shall be filed whether or not initial deliveries have begun. If exports have not occurred, a report of “no activity” for that month must be filed. If exports of natural gas have occurred, the report must give the following details: (1) the country of destination; (2) the point(s) of exit; and (3) the volume in thousand cubic feet (Mcf); (4) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); and (7) the estimated or actual duration of the supply agreement(s). [OMB No.: 1901-0294]

D. The first monthly report required by this Order is due not later than December 30, 2008, and should cover the reporting period from November 10, 2008 through November 30, 2008.

E. All monthly report filings shall be made to the 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](mailto:yvonne.caudillo@hq.doe.gov) or [ngreports@hq.doe.gov](mailto:ngreports@hq.doe.gov), or may be faced to Ms. Caudillo at (202) 586-6050.

F. TAC’s long-term authorization to export natural gas to Mexico in DOE/FE Order No. 2506, issued on June 20, 2008, is hereby vacated, effective November 10, 2008.

Issued in Washington, D.C., on December 18, 2008.



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R. F. Corbin  
Manager, Natural Gas Regulatory Activities  
Office of Oil and Gas Global Security and Supply  
Office of Fossil Energy