

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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PUGET SOUND ENERGY, INC.

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FE DOCKET NO. 11-76-LNG

ERRATA NOTICE

FEBRUARY 10, 2012

## BACKGROUND

DOE/FE Order No. 2985 (Order 2985), issued on July 18, 2011, granted long-term authorization to Puget Sound Energy, Inc. (PSE), to import liquefied natural gas (LNG) from Canada by truck pursuant to an October 7, 2010, interruptible liquefied natural gas sales and dispensing service agreement between Terasen Gas Inc. (now FortisBC Energy Inc.) and PSE. PSE stated that it intends to use its authorization to purchase and import LNG for its own account as well as for the accounts of its Canadian or U.S. suppliers and purchasers.

DOE/FE addressed the issue of agency rights in Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC, DOE/FE Order No. 2913 (Order 2913), issued February 10, 2011. In Order 2913, DOE/FE approved a proposal by Freeport LNG Expansion, L.P. and FLNG Liquefaction, LLC (collectively, FLEX) to register each LNG title holder for whom FLEX sought to export LNG as agent. This proposal was an acceptable alternative to the non-binding policy adopted by DOE/FE in *Dow Chemical*,<sup>1</sup> which established that the title for all LNG authorized for export must be held by the authorization holder at the point of export.

The same policy consideration that supported DOE/FE's acceptance of the alternative proposal in Order 2913 applies to imports of natural gas, including the authorization issued to PSE in Order 2985. However, Order No. 2985 authorizing PSE's proposed imports inadvertently omitted the registration conditions which render the alternative proposal for the exercise of agency rights acceptable. Accordingly, DOE is issuing this errata notice to require that where PSE proposes to import as agent for others pursuant to the authorization issued in Order No. 2985, PSE will register those companies in accordance with the procedures and requirements set forth below. All other terms and condition of Order 2985 remain in effect.

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<sup>1</sup> *The Dow Chemical Company*, DOE/FE Opinion and Order No. 2859 (FE Docket No. 10-57-LNG), October 5, 2010, at p. 7 and 8.

ORDER

Pursuant to Section 3 of the Natural Gas Act, it is hereby ordered that ordering paragraph C. of Order 2985, issued on July 18, 2011, be modified as follows:

Replace “and (9) the geographic market served (list State(s), U.S. Census Region(s), or general U.S. geographic areas(s))” with “(9) the geographic market served (list State(s), U.S. Census Region(s), or general U.S. geographic areas(s)); and (10) the name(s) of the authorized importer registered with DOE/FE.”

Pursuant to Section 3 of the Natural Gas Act, it is hereby ordered that Paragraphs F and G be added to Order 2985, issued on July 18, 2011, to read as follows:

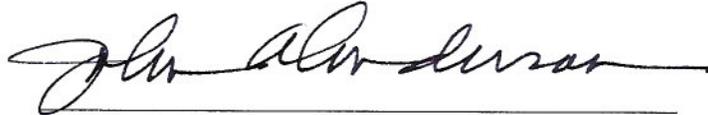
‘F. PSE is permitted to use its authorization in order to import LNG on behalf of or as agent for others, after registering the other party with DOE/FE. Registration materials shall include an acknowledgement and agreement by the registrant to supply PSE with all information necessary to permit PSE to register that person or entity with DOE/FE, including: (1) the registrant’s agreement to comply with this Order and all applicable requirements of DOE’s regulations at 10 CFR Part 590; (2) the exact legal name of the registrant, state/location of incorporation/registration, primary place of doing business, and the registrant’s ownership structure, including the ultimate parent entity if the registrant is a subsidiary or affiliate of another entity; (3) the name, title, mailing address, e-mail address, and telephone number of a corporate officer or employee of the registrant to whom inquiries may be directed; (4) within 30 days of execution, a copy, filed with DOE/FE under seal, of any long-term contracts, including processing agreements, that result in the import of natural gas, including LNG.’

‘G. Each registration submitted pursuant to this Order shall have current information on file with DOE/FE. Any changes in company name, contact information, change in term of the

long-term contract, termination of the long-term contract, or other relevant modification, shall be filed with DOE/FE within 30 days of such change(s).”

This Order shall be effective 30 days from the date the Order is signed (March 11, 2012).

Issued in Washington D.C., on February 10, 2012.

A handwritten signature in black ink, appearing to read "John A. Anderson", written over a horizontal line.

John A. Anderson  
Manager, Natural Gas Regulatory Activities  
Office of Oil and Gas Global Security and Supply  
Office of Fossil Energy