UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

THE DOW CHEMICAL COMPANY	)	FE DOCKET NO. 12-27-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS FROM AND TO
CANADA AND MEXICO, AND TO IMPORT LIQUEFIED NATURAL GAS
FROM VARIOUS INTERNATIONAL SOURCES BY VESSEL

DOE/FE ORDER NO. 3083

APRIL 20, 2012

I. DESCRIPTION OF REQUEST

On March 6, 2012, The Dow Chemical Company (Dow Chemical) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE) under section 3 of the Natural Gas Act (NGA)[1] for blanket authorization to import and export natural gas from and to Canada and Mexico, and to import liquefied natural gas (LNG) from various international sources by vessel up to a combined total of the equivalent of 390 billion cubic feet (Bcf) of natural gas. The applicant requests the authorization be granted for a two-year term beginning on June 1, 2012.[2] Dow Chemical is a Michigan corporation with its principal place of business in Midland, Michigan.

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 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 applications for such imports or exports must be granted without modification or delay. The authorization sought by Dow Chemical to import and export natural gas from and to Canada and Mexico, and to import LNG from various international sources by vessel, meets the section 3(c)

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1 /The 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 FE in Redelegation Order No. 00-002.04E issued on April 29, 2011.

2 / Dow Chemical's blanket authorization to import and export natural gas from and to Canada and Mexico, and to import LNG from various international sources granted in DOE/FE Order No. 2754 on February 25, 2010, extends through May 31, 2012.

criteria and, therefore, is consistent with the public interest. This Order authorizes transactions with terms of no longer than two years.

ORDER

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

A. Dow Chemical is authorized to import and export natural gas from and to Canada and Mexico, and to import LNG from various international sources by vessel up to a combined total of the equivalent of 390 Bcf of natural gas, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term beginning on June 1, 2012, and extending through May 31, 2014.

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. This LNG may be imported by vessel to any LNG receiving facility in the United States and its territories.

D. LNG imports that require increased security measures from the United States Coast Guard (USCG) and/or other branches of the Department of Homeland Security in place now or added in the future shall comply with those measures on a shipment by shipment basis to the satisfaction of the USCG. Such measures may include periodic boarding or examination of the vessel by the USCG at the load port, while the vessel is underway, at any time during the voyage, and before and during discharge of the cargo while at the discharge port, as well as other enhanced security measures.

E. **Monthly Reports:** With respect to the natural gas imports and exports, and the imports of LNG authorized by this Order, Dow Chemical 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 and/or exports of natural gas or LNG have been made. Monthly reports shall be filed whether or not initial deliveries have begun. If imports and/or exports have not occurred, 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, the country of origin; (2) for exports, the country of destination; (3) the point(s) of entry and exit; (4) the volume in thousand cubic feet (Mcf); (5) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (6) the name of the supplier(s); (7) the name of the U.S. transporter(s); (8) the estimated or actual duration of the supply agreement(s); and (9) for imports, the geographic market(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

If imports of LNG by vessel have occurred, the report must give the following details of each LNG cargo: (1) the name of the U.S. receiving terminal; (2) the name of the LNG tanker; (3) the date of arrival at the U.S. receiving terminal; (4) the country of origin; (5) the name of the supplier/seller; (6) the volume in Mcf; (7) the landed price per MMBtu at the point of import; (8) the duration of the supply agreement (indicate spot purchases); (9) the name(s) of the purchaser(s); and (10) the geographic market served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)).

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

F. The first monthly report required by this Order is due not later than July 30, 2012, and should cover the reporting period from June 1, 2012, through June 30, 2012.

G. All monthly report filings shall be made to 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 or ngreports@hq.doe.gov, or may be faxed to Ms. Caudillo at (202) 586-6050.

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Office of Oil and Gas Global Security and Supply
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