

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

J. ARON & COMPANY

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FE DOCKET NO. 12-64-NG

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

DOE/FE ORDER NO. 3126

JULY 19, 2012

I. DESCRIPTION OF REQUEST

On June 5, 2012, J. Aron & Company (J. Aron) 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 up to a combined total of 200 billion cubic feet (Bcf) of natural gas from and to Canada and Mexico, for a two year term beginning August 1, 2012.² J. Aron is a New York limited partnership with its principal place of business in New York, New York.

Additionally, on June 11, 2012, J. Aron notified DOE/FE that J. Aron requests to increase the volume in the instant application from 200 Bcf to 800 Bcf and to vacate the current authorization in Order No. 2797. J. Aron stated the reason for the revision to the instant application was because it had misunderstood the online form's "Combined Volume", and incorrectly concluded that the 200 Bcf volume identified in the application would authorize the shipment of 200 Bcf for each of the requested four authorities. J. Aron stated that it has already exceeded the 200 Bcf authorized volume in Order No. 2797.

Since the requested authorization in this docket will supersede the authorization issued to J. Aron in Order No. 2797, Order No. 2797 will be vacated and the new authorization will be effective on the date the instant Order is issued.

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

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 (April 29, 2011).

²/ J. Aron's blanket authorization to import and export natural gas from and to Canada and Mexico granted in DOE/FE Order No. 2797 (Order No. 2979) on June 4, 2010, extends through July 31, 2012.

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 applications for such imports or exports must be granted without modification or delay. The authorization sought by J. Aron to import and export natural gas from and to Canada and Mexico, nations with which free trade agreements are 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.

ORDER

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

A. J. Aron is authorized to import and export up to a combined total of 800 Bcf of natural gas from and to Canada and Mexico, pursuant to transactions that have terms of no longer than two years. This authorization shall be effective for a two-year term beginning on July 19, 2012, and extending through July 18, 2014.

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

C. **Monthly Reports:** With respect to the natural gas imports and exports authorized by this Order, J. Aron 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, 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)).

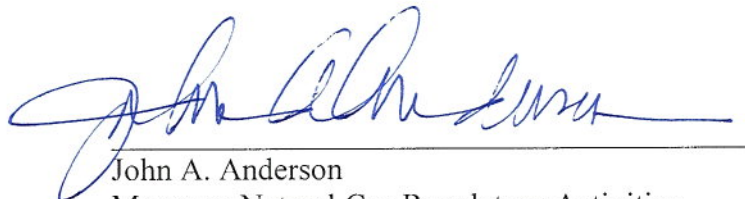
(Approved by the Office of Management and Budget under OMB Control No. 1901-0294)

D. The first monthly report required by this Order is due not later than August 30, 2012, and should cover the reporting period from July 19, 2012, through July 31, 2012.

E. 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.

F. J. Aron's blanket authorization to import and export natural gas from and to Canada and Mexico granted in DOE/FE Order No. 2797, issued on June 4, 2010, is hereby vacated upon issuance of this Order.

Issued in Washington, D.C., on July 19, 2012.



John A. Anderson
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Office of Oil and Gas Global Security and Supply
Office of Fossil Energy