

National Energy
Board



Office national
de l'énergie

File OF-EI-Gas-GL-B262-2011-01 01
12 April 2012

Mr. Chris W. Sanderson, Q.C.
Lawson Lundell LLP
1600 Cathedral Place
925 West Georgia Street
Vancouver, BC V6C 3L2
Facsimile 604-669-1620

Mr. Tom Tatham
BC LNG Export Co-operative LLC
c/o 4400 Post Oak Parkway
Suite 1200
Houston, TX 77027
Facsimile 713-621-3553

Dear Mr. Sanderson and Mr. Tatham:

Submission to the Governor in Council in the matter of an application by BC LNG Export Co-operative LLC for a Long-term Licence to Export Liquefied Natural Gas under section 117 of the *National Energy Board Act*

Further to the National Energy Board's GH-003-2011 Reasons for Decision released on 2 February 2011, the Board is pleased to enclose Licence GL-299 authorizing BC LNG Export Co-operative LLC to export natural gas, approved by Governor in Council on 5 April 2012, pursuant to section 117 of the *National Energy Board Act*.

Yours truly,

A handwritten signature in blue ink, appearing to read 'S. Young'.

Sheri Young
Secretary of the Board

Attachments



LICENCE GL-299

IN THE MATTER OF the *National Energy Board Act* (Act) and the regulations made thereunder;

AND IN THE MATTER OF an application dated 8 March 2011 by BC LNG Export Co-operative LLC (BC LNG) under Part VI of the Act for a licence to export liquefied natural gas (LNG) from the outlet side of the liquefaction terminal to be located near Kitimat, British Columbia filed with the Board under File OF-EI-Gas-GL-B262-2011-01 01;

WHEREAS a public hearing in respect of the application was held pursuant to Hearing Order GH-003-2011 at which BC LNG and interested parties made submissions;

AND WHEREAS the Board has considered the application and has found that it is in the public interest to issue this Licence to BC LNG;

AND WHEREAS the Governor in Council by Order in Council No. P.C. 2012-408 dated the 5th day of April 2012, has approved the issuance of this Licence;

NOW THEREFORE the Board, under section 117 of the Act, hereby issues this Licence to BC LNG for the exportation of LNG subject to the following terms and conditions:

General

1. BC LNG shall comply with all of the terms and conditions contained in this Licence unless the Board otherwise directs.

Licence Term, Conditions and Point of Export

2. Subject to condition 3, the term of this Licence shall commence on the date of first export from the Douglas Channel Energy Partnership (DCEP) operated natural gas liquefaction facility to be located at or near Kitimat, British Columbia (the LNG Terminal), and shall continue for a period of 20 years thereafter.

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3. The term of this Licence shall end on 31 March 2016, unless exports from the LNG Terminal commence on or before that date.
4. The quantity of LNG that can be exported under the authority of this Licence is:
 - (a) Annual quantity not exceeding 1,800,000 tonnes, which is the approximate natural gas equivalent of 2.4 billion m³ or 84.5 Bcf.
 - (b) Term quantity not exceeding 36,000,000 tonnes, which is the approximate natural gas equivalent of 47.9 billion m³ or 1,691 Bcf.
 - (c) As a tolerance, the amount of LNG that may be exported in any consecutive 12-month period may exceed the annual quantity by up to 10 per cent.
5. Natural gas will be exported at the outlet of the LNG Terminal.

Issued in Calgary, Alberta on the 12th day of April, 2012.

NATIONAL ENERGY BOARD



Sheri Young
Secretary of the Board

for