

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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CORAL ENERGY RESOURCES, L.P. )  
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FE DOCKET NO. 00-38-NG

ORDER GRANTING BLANKET AUTHORIZATION  
TO IMPORT AND EXPORT NATURAL GAS,  
INCLUDING LIQUEFIED NATURAL GAS,  
FROM AND TO CANADA AND MEXICO

DOE/FE ORDER NO. 1601

JUNE 08 , 2000

## I. DESCRIPTION OF REQUEST

On May 25, 2000, as supplemented May 31, 2000, Coral Energy Resources, L.P. (Coral) 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)<sup>1/</sup> and DOE Delegation Order Nos. 0204-111 and 0204-127, for authorization to import up to a combined total of 730 Bcf of natural gas, including liquefied natural gas (LNG) from Canada and Mexico, and to export up to a combined total of 730 Bcf of natural gas, including LNG, to Canada and Mexico, over a two-year term beginning on July 1, 2000, and extending through June 30, 2002.<sup>2/</sup> Coral, a marketer of natural gas, is a Delaware limited partnership with its principal place of business in Houston, Texas. Coral is indirectly owned by Shell Oil Company and Coral Energy, L.L.C. Coral will import and export the natural gas on its own behalf as well as agent for others. The proposed authorization does not involve the construction of new facilities.

## II. FINDING

The application filed by Coral 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 or export of natural gas from or to a nation with which there is in effect a free trade agreement requiring national treatment for trade in natural gas, is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Coral to import and export natural gas, including LNG, from and to Canada and Mexico, nations with

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<sup>1/</sup> 15 U.S.C. § 717b.

<sup>2/</sup> Coral's current blanket import/export authority granted by DOE/FE Order No. 1397 (2 FE ¶ 70,203) issued on July, 1, 1998, expires June 30, 2000.

which free trade agreements are in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

### ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Coral Energy Resources, L.P. (Coral) is authorized to import up to a combined total of 730 Bcf of natural gas, including liquefied natural gas (LNG) from Canada and Mexico, and to export up to a combined total of 730 Bcf of natural gas, including LNG, to Canada and Mexico, over a two-year term beginning on July 1, 2000, and extending through June 30, 2002.

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

C. With respect to the natural gas and LNG imports and exports authorized by this Order, Coral shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, Coral must report the following information: (1) total monthly volumes in Mcf; (2) the average monthly purchase price of gas per MMBtu at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the U. S. transporter(s); (7) the point(s) of entry and exit; and (8) the geographic market(s) served (for imports, by State). For import transactions only, the report shall also include: (1) whether sales are being made on an

interruptible or firm basis; and if applicable, (2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB No.: 1901-0294]

D. The reports described in Ordering Paragraph C of this Order shall be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

E. The first quarterly report required by Ordering Paragraph C of this Order is due not later than October 30, 2000, and should cover the period from July 1, 2000, until the end of the third calendar quarter, September 30, 2000.

Issued in Washington, D.C., on June 8, 2000.

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John W. Glynn  
Manager, Natural Gas Regulation  
Office of Natural Gas & Petroleum  
Import & Export Activities  
Office of Fossil Energy