

Cited as "1 ERA Para. 70,516"

El Paso Natural Gas Co. (ERA Docket No. 78-15-NG), October 7, 1980.

Order Issuing Stay of Authorization Granted in DOE/ERA Opinion and Order No. 18 and Granting Rehearing for Purposes of Further Consideration

[Opinion and Order]

On August 21, 1980, the Economic Regulatory Administration (ERA) of the Department of Energy (DOE) issued DOE/ERA Opinion and Order No. 18, authorizing with conditions, the export of natural gas by El Paso Natural Gas Company (El Paso) to Compania Minera de Cananea, S.C. de C.V. (Compania Minera). In response to motions for stay by El Paso and Compania Minera, we twice delayed the effective date of the order, which is now to take effect on October 8, 1980. Both El Paso and Compania Minera have filed timely petitions for rehearing.

In DOE/ERA Opinion and Order No. 18B, issued September 19, 1980, we granted El Paso's and Compania Minera's request for a conference to discuss alternate delivery arrangements enabling Petroleos Mexicanos (Pemex) to supply Mexican gas to Compania Minera, and indicated we would be willing to take written or oral submissions on any of the issues raised by the petitions. At the conference, held on September 26, 1980, the parties requested a further stay, pending completion of the proposed delivery arrangements.

So that we may give further consideration to the issues raised by Compania Minera and to allow the company and its customers an additional opportunity to make alternative arrangements, a further stay is ordered through October 18, 1980.

In addition, the El Paso petition for rehearing raises complex questions about the nature and extent of our authority under Section 3 of the Natural Gas Act to condition exports by directing the distribution of revenues received by the U.S. exporter. The issues raised deserve careful consideration. Accordingly, we are herein granting the application of El Paso for rehearing of Order No. 18 for the purpose of further consideration.

Order

For the reasons stated above, it is ordered that:

1. In Ordering Paragraph 1 of DOE/ERA Opinion and Order No. 18, the

phrase "through September 4, 1980" be amended to read "through October 18, 1980."

2. In Ordering Paragraph 2 of DOE/ERA Opinion and Order No. 18, the phrase "On September 5, 1980," be amended to read "On October 19, 1980."

3. The petition for rehearing of DOE/ERA Opinion and Order No. 18 by El Paso is hereby granted for the purpose of further consideration of the issues raised in its petition concerning ERA's authority to condition the export authorization by directing the distribution of revenues received by El Paso.

Issued in Washington, D.C., October 7, 1980.