

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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WESTERN NATURAL GAS and )  
TRANSMISSION CORPORATION)  
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FE DOCKET NO.93-02-NG

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

DOE/FE ORDER NO. 764

JANUARY 22, 1993

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I. DESCRIPTION OF REQUEST \_\_\_\_\_

On January 6, 1993, Western Natural Gas and Transmission Corporation (Western) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA), requesting blanket authorization to import from Canada up to 20 Bcf of natural gas annually and to export to Canada up to 10 Bcf of natural gas annually over a two-year term beginning on the date of first import or export. Western will import and export gas for its own account and as an agent for others. Western, a Colorado corporation with its headquarters in Denver, is a marketer of natural gas, buying gas directly from producers and other suppliers and selling gas to industrial, commercial and institutional customers in Colorado. Western is a wholly-owned subsidiary of Hadson Gas Systems, Inc.

II. FINDING \_\_\_\_\_

The application filed by Western has been evaluated to determine if the proposed import/export arrangement meets the public interest requirements 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), an 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 Western to import and export natural gas from and to Canada, a

nation with which a free trade agreement is in effect, meets the section 3(c) criterion and is therefore consistent with the public interest.

ORDER

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For reasons set forth above, under section 3 of the Natural Gas Act, it is ordered that:

A. Western Natural Gas and Transmission Corporation (Western) is authorized to import from Canada up to a maximum of 40 Bcf of natural gas and to export to Canada up to a maximum of 20 Bcf of natural gas, at any point on the U.S./Canada border, over a two-year term beginning on the date of first import or export.

B. Within two weeks after deliveries begin, Western shall notify the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, in writing of the date that the first import or export of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports and exports authorized by this Order, Western shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether imports or exports of natural gas have been made. If no imports or exports have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, Western must report total monthly volumes in Mcf and the average purchase or sales

price per MMBtu at the international border. The reports shall also provide the details of each import/export transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the U.S. transporter(s); (5) the point(s) of entry or exit; (6) the geographic market(s) served; (7) whether the sales are being made on an interruptible or firm basis; and if applicable, (8) the contract pricing provisions, including the per unit (MMBtu) demand/commodity/ reservation charge breakdown of the contract price.

D. The first quarterly report required by Paragraph C of this Order is due not later than April 30, 1993, and should cover the period from the date of this Order until the end of the calendar quarter, March 31, 1993.

Issued in Washington, D.C., on January 22, 1993.

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Charles F. Vacek  
Deputy Assistant Secretary  
for Fuels Programs  
Office of Fossil Energy