

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

AQUILA ENERGY MARKETING CORPORATION)	FE DOCKET NO. 93-06-NG
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ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 768

FEBRUARY 16, 1993

I. DESCRIPTION OF REQUEST _____

On January 26, 1993, Aquila Energy Marketing Corporation (Aquila Energy) 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 up to 200 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery.

Aquila Energy, a Delaware corporation with its headquarters in Omaha, Nebraska, is a wholly-owned subsidiary of Aquila Energy Corporation which in turn is a wholly-owned subsidiary of UtiliCorp United Inc. Aquila Energy is a marketer of natural gas and will import the gas for its own account and as an agent for others.

II. FINDING _____

The application filed by Aquila Energy has been evaluated to determine if the proposed import 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 of natural gas from 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 Aquila Energy to import natural gas from 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

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

A. Aquila Energy Marketing Corporation (Aquila Energy) is authorized to import from Canada up to 200 Bcf of natural gas over a two-year term beginning on the date of first delivery at any point on the United States/Canada border.

B. Within two weeks after deliveries begin, Aquila Energy 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 of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, Aquila Energy shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Aquila Energy must report monthly total volumes of the imports in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import 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; (6) the

geographic market(s) served; (7) whether the sales are being made on an interruptible or firm basis; and, if applicable, (8) 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 January 1, 1993, until the end of the calendar quarter, March 31, 1993.

Issued in Washington, D.C., on February 16, 1993.

Jack S. Siegel
Acting Assistant Secretary
for Fossil Energy