

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

_____)
AMERADA HESS CORPORATION) FE DOCKET NO. 93-11-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 774

FEBRUARY 24, 1993

I. DESCRIPTION OF REQUEST _____

On February 1, 1993, Amerada Hess Corporation (AHC) 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 50 Bcf of natural gas from Canada over a two-year period beginning on the date of the first delivery. AHC, a Delaware corporation with its principal offices in New York, New York, is a developer, producer, refiner, transporter, and marketer of oil, natural gas and other hydrocarbons. AHC will import the gas under spot and short-term purchase arrangements, either on its own behalf or as the agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by AHC has been evaluated to determine if the proposed import 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), 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 AHC to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest.

ORDER

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

A. Amerada Hess Corporation (AHC) is authorized to import, at any point on the international border, up to 50 Bcf of natural gas from Canada over a period of two years beginning on the date of the first delivery.

B. Within two weeks after deliveries begin, AHC 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, AHC 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, AHC must report monthly total volumes 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 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 current calendar quarter, March 31, 1993.

Issued in Washington, D.C., on February 24, 1993.

Jack S. Siegel
Acting Assistant Secretary
for Fossil Energy