

I. DESCRIPTION OF REQUEST

On March 11, 1993, Enron Gas Marketing Canada Inc. (EGMC) 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 900 Bcf of natural gas and export up to 900 Bcf of natural gas from and to Canada over a two-year term beginning on the date of first delivery. EGMC, a Canadian corporation with its headquarters in Calgary, Alberta, is a natural gas marketer. EGMC is a wholly-owned subsidiary of Enron Gas Services Corp., which is a wholly-owned subsidiary of Enron Corp. The requested authorization does not require the construction of new pipeline facilities.

II. FINDING

The application filed by EGMC has been evaluated to determine if the proposed import/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), 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 EGMC 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, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

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

A. Enron Gas Marketing Canada Inc. (EGMC) is authorized to import up to 900 Bcf of natural gas and export up to 900 Bcf of natural gas from and to Canada over a two-year term beginning on the date of first delivery. This natural gas may be imported and exported at any point on the United States/Canada border.

B. Within two weeks after deliveries begin, EGMC 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, EGMC 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, EGMC 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 and export transaction, including: (1) the name of the purchaser(s); (2) the name of the seller(s); (3) the estimated or actual duration of the

agreement(s); (4) the name of the United States 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 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 current calendar quarter, March 31, 1993.

Issued in Washington, D.C., on March 30, 1993.

Anthony J. Como
Acting Deputy Assistant Secretary
for Fuels Programs
Office of Fossil Energy