

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

PAN-ALBERTA GAS (U.S.) INC.

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FE DOCKET NO. 93-38-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 794

APRIL 30, 1993

I. DESCRIPTION OF REQUEST

On April 1, 1993, Pan-Alberta Gas (U.S.) Inc. (PAG-US) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)^{1/}, requesting blanket authorization to import up to 730

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Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after July 3, 1993.^{2/} PAG-US is a

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Delaware corporation with its headquarters in Calgary, Alberta, Canada. PAG-US proposes to import the gas under short-term and spot market 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 PAG-US 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 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 PAG-US to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and,

1/ 15 U.S.C. Sec.717b. —

2/ This is the day PAG-US's current blanket import authorization expires. See DOE/FE Opinion and Order No. 516 issued June 27, 1991, (1 FE Para. 70,462).

therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Pan-Alberta Gas (U.S.) Inc. (PAG-US) is authorized to import from Canada, at any point on the international border, up to 730 Bcf of natural gas over a two-year term beginning on the date of first delivery after July 3, 1993.

B. Within two weeks after deliveries begin, PAG-US 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, PAG-US 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, PAG-US must report total monthly 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 United States 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 October 30, 1993, and should cover the period from July 4, 1993, until the end of the calendar quarter, September 30, 1993.

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

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