

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

EL PASO GAS MARKETING COMPANY)
FE DOCKET NO. 93-40-NG)

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 801

MAY 11, 1993

I. DESCRIPTION OF REQUEST _____

On April 5, 1993, El Paso Gas Marketing Company (El Paso) 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 75 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery. El Paso, a Delaware corporation with its headquarters in El Paso, Texas, is a wholly-owned subsidiary of El Paso Natural Gas Company. El Paso will import the gas under spot and short-term transactions either for its own account or as an agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by El Paso 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 El Paso 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. This blanket

1/ 15 U.S.C. Sec. 717b.

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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. El Paso Gas Marketing Company (El Paso) is authorized to import from Canada up to 75 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, El Paso 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, El Paso 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, El Paso 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 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 July 30, 1993, and should cover the period from the date of this Order until the end of the current calendar quarter, June 30, 1993.

Issued in Washington, D.C., on May 11, 1993.

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