

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
MOBIL NATURAL GAS INC.) FE DOCKET NO. 93-67-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 835

AUGUST 13, 1993

I. DESCRIPTION OF REQUEST _____

On July 2, 1993, as supplemented July 22, 1993, Mobil Natural Gas Inc. (MNGI) 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/} for blanket authorization to export a total of up to 200 Bcf of natural gas to Canada over a two-year term, beginning on the date of first export delivery after September 30, 1993.^{2/} MNGI, a Delaware corporation with its principal place of business in Houston, Texas, is a wholly-owned subsidiary of Mobil Corporation. MNGI will export the gas under spot and short-term purchase arrangements, either on its own behalf or as an agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by MNGI has been evaluated to determine if the proposed 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), the export 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

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

2/ This is the expiration date of MNGI's current blanket

authorization to export natural gas to Canada, granted by DOE/FE
Opinion and Order No. 513 on June 21, 1991 (1 FE Para. 70,459).

modification or delay. The authorization sought by MNGI to export 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 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. Mobil Natural Gas Inc. (MNGI) is authorized to export a total of up to 200 Bcf of natural gas to Canada over a two-year term, beginning on the date of first export delivery after September 30, 1993. This natural gas may be exported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, MNGI shall provide written notification to the Office of Fuels Programs (OFP), Fossil Energy, Room 3F-056, FE-50, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first export delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas exports authorized by this Order, MNGI shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no exports have been made, a report of "no activity" for that

calendar quarter must be filed. If exports occur, MNGI must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports also shall provide the details of each export 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 exit; (6) the geographic market(s) served; and (7) whether sales are being made on an interruptible or firm basis.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than January 30, 1994, and should cover the period from October 1, 1993, until the end of the fourth calendar quarter, December 31, 1993.

Issued in Washington, D.C., on August 13, 1993.

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