

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

VERMONT GAS SYSTEMS, INC.

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FE DOCKET NO. 93-98-NG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT  
AND EXPORT NATURAL GAS FROM AND TO CANADA

DOE/FE ORDER NO. 853

SEPTEMBER 30, 1993

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I. DESCRIPTION OF REQUEST \_\_\_\_\_

On September 20, 1993, Vermont Gas Systems, Inc. (Vermont Gas) 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 and

export natural gas from and to Canada. The authorization requested would allow Vermont gas to import up to 20 Bcf of gas and to export up to 20 Bcf of gas over a two-year term beginning on the date of first delivery of either imports or exports after December 15, 1993.2/ Vermont Gas is a local distribution

company whose principal office is located in South Burlington, Vermont. The volumes will be imported and exported by Vermont Gas under spot and short-term sales arrangements, either on its own behalf for system supply or as the agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING \_\_\_\_\_

The application filed by Vermont Gas has been evaluated to determine if the proposed import and 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 a nation with which there is in effect a free trade

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

2/ This is the expiration date of Vermont Gas's existing blanket authorization to import and export natural gas from

and to Canada granted by DOE/FE Opinion and Order 400, dated June 7, 1990 (1 FE Para. 70,323).

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 Vermont Gas 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

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

A. Vermont Gas Systems, Inc. (Vermont Gas) is authorized to import up to 20 Bcf of natural gas from Canada and to export up to 20 Bcf of natural gas to Canada, at any point on the international border. This authorization shall extend for a period of two years beginning on the date of the first delivery of either imports or exports after December 15, 1993.

B. Within two weeks after deliveries begin, Vermont Gas shall provide written notification to the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, 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, Vermont Gas 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. Quarterly reports must be filed whether or not initial deliveries have begun. 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, Vermont Gas 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 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 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 Ordering Paragraph C of this Order is due not later than January 30, 1993, and should cover the period from December 16, 1993, until the end of the fourth calendar quarter, December 31, 1993.

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

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Anthony J. Como  
Director

Office of Coal and Electricity  
Office of Fuels Programs  
Office of Fossil Energy