

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
THE CONSUMERS GAS COMPANY LTD.) FE DOCKET NO. 93-95-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 860

OCTOBER 7, 1993

I. DESCRIPTION OF REQUEST _____

On September 10, 1993, as supplemented October 1, 1993, The Consumers Gas Company Ltd. (Consumers 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/} for

blanket authorization to export up to 100 Bcf of natural gas to Canada over a two-year term, beginning on the date of first delivery after December 15, 1993.^{2/} Consumers Gas, an Ontario

corporation, is a large natural gas distribution utility which serves residential, commercial and industrial customers primarily within the metropolitan Toronto, Ottawa, and Niagara Falls regions of Ontario, Canada. Consumers Gas states that it will export the gas under spot and short-term transactions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Consumers Gas 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 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

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

2/ This is the expiration date of Consumers Gas' current blanket authorization to export natural gas to Canada, granted by

DOE/FE Opinion and Order No. 490 on March 28, 1991 (1 FE Para.
70,433).

consistent with the public interest and must be granted without modification or delay. The authorization sought by Consumers Gas to export natural gas 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

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

A. The Consumers Gas Company Ltd. (Consumers Gas) is authorized to export up to 100 Bcf of natural gas to Canada over a two-year term, beginning on the date of first delivery after December 15, 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, Consumers Gas 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, Consumers Gas 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 have occurred, Consumers Gas 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 December 16, 1993, until the end of the current calendar quarter, December 31, 1993.

Issued in Washington, D.C., on October 7, 1993.

Anthony J. Como
Director
Office of Coal & Electricity
Office of Fuels Programs
Office of Fossil Energy