

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

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IGI RESOURCES, INC.))
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FE DOCKET NO. 93-110-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
EXPORT NATURAL GAS
TO CANADA

DOE/FE ORDER NO. 876

NOVEMBER 16, 1993

I. DESCRIPTION OF REQUEST _____

On October 12, 1993, IGI Resources, Inc. (IGI) 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/} and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting blanket authorization to export up to 50 billion cubic feet (Bcf) of natural gas to Canada over a two-year term beginning on the date of first export. IGI is an Idaho corporation with its principal place of business in Boise, Idaho, and is a wholly-owned subsidiary of Intermountain Industries, Inc. IGI is a marketer of natural gas and acts as an agent on behalf of industrial end-users and local distribution companies in the purchase and transportation of natural gas supplies in the western region of the United States. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by IGI 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 consistent with the public interest and must be granted without modification or delay. The authorization sought by IGI to export natural gas to Canada, a nation with which a free trade agreement is in effect, meets the

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

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section 3(c) criterion and, therefore, is consistent with the public interest. This blanket order authorizes transactions under contracts with term of no longer than two years.

ORDER

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

A. IGI Resources, Inc. (IGI) is authorized to export to Canada up to 50 billion cubic feet of domestic natural gas for a two-year term beginning on the date of first export. This natural gas may be exported at any existing point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, IGI 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, IGI 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 of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If exports have occurred, IGI must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at 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 United States 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 the date of this Order until the end of the fourth calendar quarter, December 31, 1993.

Issued in Washington, D.C., on November 16, 1993.

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