

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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SALMON RESOURCES LTD.  
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FE DOCKET NO. 93-133-NG

ORDER GRANTING BLANKET AUTHORIZATION TO  
EXPORT NATURAL GAS  
TO CANADA

DOE/FE ORDER NO. 890

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DECEMBER 13, 1993

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

On November 23, 1993, Salmon Resources Ltd. (Salmon) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),<sup>1/</sup> and DOE Delegation Order Nos. 0201-111 and 0204-127,

requesting blanket authorization to export up to 100 billion cubic feet (Bcf) of natural gas to Canada. The term of the authorization would be for a period of two years beginning on the date of the first delivery. Salmon, a wholly-owned subsidiary of Shell Canada Limited, is a Wyoming corporation with its headquarters in Lakewood, Colorado. Salmon proposes to export natural gas to Canada for delivery to various markets, including producers, industrial end-users, electric utilities, pipelines, and distribution companies. Salmon states that it will provide the natural gas as well as other suppliers of natural gas in the United States. The requested authorization does not involve the construction of new pipeline facilities.

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

The application filed by Salmon 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

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1/ 15 U.S.C. § 717b.

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modification or delay. The authorization sought by Salmon 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

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

A. Salmon Resources Ltd. (Salmon) is authorized to export up to 100 billion cubic feet of domestic natural gas to Canada over a two-year term beginning on the date of the first delivery. This natural gas may be exported anywhere on the United States and Canada border with existing pipeline facilities.

B. Within two weeks after deliveries begin, Salmon 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, Salmon shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether exports of natural gas have been made. 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, Salmon 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 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 December 13, 1993.

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