

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
CONTINENTAL ENERGY MARKETING LTD.) FE DOCKET NO. 94-103-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION
TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1014

DECEMBER 16, 1994

I. DESCRIPTION OF REQUEST

On December 13, 1994, Continental Energy Marketing Ltd. (Continental) 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, for blanket authorization to export from the United States to Canada up to 75 Bcf of domestic natural gas. The term of the authorization would be for a period of two years beginning on the date of first export after December 17, 1994.^{2/}

Continental is a Canadian corporation with its principal place of business in Calgary, Alberta. The requested authorization would allow Continental to export this gas under short-term and spot market transactions for sale to various Canadian end-users. The construction of new pipeline facilities would not be involved.

II. FINDING

The application filed by Continental 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 Continental

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

2/ This is the expiration date of Continental's current blanket
- authorization to export natural gas to Canada, granted by DOE/FE
Opinion and Order No. 648 on July 28, 1992 (1 FE 70,613).

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. Continental Energy Marketing Ltd. (Continental) is authorized to export up to 75 Bcf of natural gas from the United States to Canada over a two-year term, beginning on the date of first delivery after December 17, 1994. 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, Continental 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 of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas exports authorized by this Order, Continental 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, Continental

must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports shall also 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, 1995, and should cover the period from December 18, 1994, until the end of the fourth calendar quarter, December 31, 1994.

Issued in Washington, D.C., on December 16, 1994.

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