

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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WESTERN GAS MARKETING INC. ) FE DOCKET NO. 91-45-NG  
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ORDER TERMINATING LONG-TERM AUTHORIZATION  
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 637-C

Western Gas Marketing Inc. (WGM Inc.) is currently authorized to import up to 25,000 Mcf per day of natural gas from Canada, pursuant to DOE/FE Opinion and Order No. 637 (Order 637),<sup>1/</sup> as amended by DOE/FE Opinion and Order No. 637-A,<sup>2/</sup> and DOE/FE Opinion and Order NO. 637-B.3/ The import authorization granted in Order 637 terminates October 31, 2001. WGM Inc. purchases this gas from its affiliate, Western Gas Marketing Ltd. (WGML) under a gas sales contract dated November 1, 1990. Prior to November 1, 1993, WGM Inc. would import the

1/ Western Gas Marketing USA Ltd., 1 FE 70,600 (June 16, 1992).

2/ Western Gas Marketing Inc., August 4, 1992 (unpublished).

DOE/FE Opinion and Order No. 637-A transferred the earlier import authorization to reflect the name change from Western Gas Marketing USA Ltd. to Western Gas Marketing Inc.

3/ Western Gas Marketing Inc., October 28, 1993 (unpublished).

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DOE/FE Order No. 637-B amended DOE/FE Opinion and Order No. 637 by adding additional import points to the authorization.

gas from WGML and would resell the gas to Northern Natural Gas Company (Northern) for system supply.

As a result of Northern's restructuring of its pipeline transportation, storage, and natural gas sales service under Order 636,4/ issued by the Federal Energy Regulatory Commission (FERC) on April 16, 1992, Northern and WGM Inc. agreed to terminate their gas sales arrangement effective November 1, 1994. Consequently, WGM Inc. and WGML agreed to terminate their import contract effective November 1, 1994. In addition, effective November 1, 1993, in connection with Northern's implementation of FERC Order 636, Northern assigned its rights under its gas supply contract with WGM Inc. to eight parties.5/ Most of the assignees were previously served by Northern in its merchant role. WGM Inc.'s gas sales obligations to the eight assignees of the Northern contract expire effective October 31, 1994.

On September 15, 1994, WGM Inc. notified the Office of Fossil Energy (FE) of the Department of Energy (DOE), under 10

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4/ FERC Statutes and Regulations 30,939. —

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5/ The eight parties taking assignment of the Northern contract are: Great Plains Natural Gas Company; Minnegasco Inc., a division of Arkla Energy Resources, Inc.; Natural Gas Clearinghouse; Northern Minnesota Utilities; Northern States Power Company (Minnesota); Northern States Power Company (Wisconsin); Peoples Natural Gas Company; and Wisconsin Gas Company. See letter dated November 10, 1993, from Mr. Robert I.

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White, counsel for WGM Inc. Northern States Power Company (Minnesota) entered into a gas purchase contract with WGML to replace the contract assigned by Northern and was granted

long-term import authorization in DOE/FE Order No. 971, issued August 31, 1994 (order is not yet published).

C.F.R. 590.407 of DOE's regulations, that the import authorization granted in Order 637 will no longer be needed beyond October 31, 1994. Therefore, WGM Inc. seeks to terminate the import authorization as of November 1, 1994.

Accordingly, pursuant to section 3 of the Natural Gas Act, DOE/FE Order No. 637, as amended, shall terminate November 1, 1994.

Issued in Washington, D.C., on September 26, 1994.

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