

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TARPON GAS MARKETING LTD.

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FE DOCKET NO. 94-08-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 919

FEBRUARY 17, 1994

I. DESCRIPTION OF REQUEST _____

On January 31, 1994, as amended by letter dated February 3, 1994, Tarpon Gas Marketing Ltd. (Tarpon) 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 import up to 100 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after April 6, 1994.^{2/} Tarpon, a Canadian corporation with its

principal place of business in Calgary, Alberta, will import this gas under spot and short-term sales arrangements. The specific terms of each import transaction, including price and volume, will be negotiated at arms length in response to market conditions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Tarpon has been evaluated to determine if the proposed import 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 importation of natural gas from 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

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

2. This is the expiration date of Tarpon's existing blanket

import authorization granted by DOE/FE Opinion and Order No. 583
dated February 28, 1992 (1 FE 70,541).

modification or delay. The authorization sought by Tarpon to import natural gas from 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. Tarpon Energy Corporation (Tarpon) is authorized to import from Canada, at any point on the international border, up to 100 Bcf of natural gas over a two-year term beginning on the date of first delivery after April 6, 1994

B. Within two weeks after deliveries begin, Tarpon shall provide written notification to the Office of Fuels Programs, Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, Tarpon shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports

occur, Tarpon must report total monthly volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import 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 entry; (6) the geographic market(s) served; (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than July 30, 1994, and should cover the period from April 7, 1994, until the end of the second calendar quarter, June 30, 1994.

Issued in Washington, D.C., on February 17, 1994.

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