

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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AGE REFINING, INC. )  
\_\_\_\_\_)

FE DOCKET NO. 94-10-NG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT  
NATURAL GAS AND LIQUEFIED NATURAL GAS FROM MEXICO

DOE/FE ORDER NO. 922

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FEBRUARY 25, 1994

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

On February 15, 1994, AGE Refining, Inc. (AGE) 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. 0204-111 and 0204-127, for blanket authorization to import up to 219 Bcf of natural gas and up to 219 Bcf of liquefied natural gas (LNG) from Mexico over a two-year term beginning on the date of first delivery. AGE is a Texas corporation with its principal place of business in Dallas, Texas. AGE will import the gas and LNG under short-term and spot market transactions. The requested authorization does not involve the construction of new pipeline or LNG facilities.

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

The application filed by AGE 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 modification or delay. The authorization sought by AGE to import natural gas and LNG from Mexico, 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

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

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. AGE Refining, Inc. (AGE) is authorized to import from Mexico, at any point on the international border, up to 219 Bcf of natural gas and up to 219 Bcf of liquefied natural gas (LNG) over a two-year term beginning on the date of first delivery.

B. Within two weeks after deliveries begin, AGE 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 import delivery of either natural gas or LNG authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas and LNG imports authorized by this Order, AGE shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas or LNG 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, AGE 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 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 April 30, 1994, and should cover the period from the date of this Order until the end of the first calendar quarter, March 31, 1994.

Issued in Washington, D.C., on February 25, 1994.

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