

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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WESTCOAST GAS SERVICES (U.S.A.) INC. ) FE DOCKET NO. 94-17-NG  
(Formerly UNIGAS ENERGY, INC.) )  
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ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT AND EXPORT NATURAL GAS, INCLUDING LIQUEFIED  
NATURAL GAS, FROM AND TO CANADA AND VACATING AUTHORIZATIONS

DOE/FE ORDER NO. 933

APRIL 20, 1994

I. DESCRIPTION OF REQUEST

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On March 8, 1994, Westcoast Gas Services (U.S.A.) Inc. (WGSI-US) filed an application with the Office of Fossil Energy (FE) 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 1,000 billion cubic feet (Bcf) of natural gas from Canada, including liquefied natural gas (LNG), and to export up to 1,000 Bcf of natural gas to Canada. The authorization would be for a term of two years beginning on the date of the first import or export. In its application, WGSI-US informed FE that its corporate name was recently changed from Unigas Energy, Inc. (Unigas) to Westcoast Gas Services (U.S.A.) Inc. Unigas currently holds blanket authorization under DOE/ERA Opinion and Order No. 6062/ issued April 23, 1992, to export up to 200 Bcf of natural gas to Canada over a two-year term expiring April 26, 1994. Unigas also holds blanket authorization granted March 12, 1993, in DOE/ERA Opinion and Order No. 7813/ to import up to 290 Bcf of natural gas from Canada over a two-year term expiring April 7, 1995. Unigas requests rescission of both orders.

WGSI-US is a Delaware corporation with its principal place of business in Traverse City, Michigan, and a wholly-owned subsidiary of Westcoast Gas Services Inc. (WGSI), which is owned

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

2/ Unigas, 1 FE 70,566 (ERA Docket No. 92-03-NG). —

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3/ Unigas, 1 FE 70,770 (ERA Docket No. 92-151-NG). —

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by Westcoast Energy Inc. WGSU-US is a marketer of natural gas throughout the United States and Canada. WGSU-US will import and export the gas, including LNG, under spot and short-term purchase arrangements, either on its own behalf or as an agent for others. The requested authorization does not involve the construction of new pipeline facilities.

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

The application filed by WGSU-US has been evaluated to determine if the proposed import/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 import of natural gas and LNG or the export of natural gas from or 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 WGSU-US to import natural gas and LNG and to export natural gas from and 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. Westcoast Gas Services (U.S.A.) Inc. (WGSI-US) is authorized to import up to 1,000 billion cubic feet (Bcf) of natural gas and liquefied natural gas (LNG) from Canada and to export up to 1,000 Bcf of natural gas to Canada for a two-year term beginning on the date of the first delivery of either imports or exports. This natural gas may be imported and exported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, WGSI-US 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 or export delivery of natural gas or LNG authorized in Ordering Paragraph A above occurred.

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

gas or LNG have occurred, WGSII-US 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 and 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 entry and exit; (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 the date of this Order until the end of the second calendar quarter, June 30, 1994.

E. WGSU-US's authorizations to export and import natural gas pursuant to DOE/ERA Opinion and Order Nos. 606 and 781, are hereby vacated.

Issued in Washington, D.C., on April 20, 1994.

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