

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

CU ENERGY MARKETING, INC.)	FE DOCKET NO. 94-20-NG
)	
)	

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 947

MAY 11, 1994

—

I. DESCRIPTION OF REQUEST _____

On March 16, 1994, CU Energy Marketing, Inc. (CUEM), 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 200 Bcf of natural gas from Canada. The term of the authorization would be for a period of two years beginning on the date of the first import after June 16, 1994, the date CUEM's existing two-year blanket authorization expires.^{2/} CUEM, a Delaware corporation with its principal

place of business in Calgary, Alberta, Canada, is a marketing company engaged in purchasing and reselling natural gas both in the United States and Canada. CUEM is also a wholly-owned subsidiary of ATCOR Resources Ltd. CUEM would import and sell the gas under spot and short-term transactions, either on its own behalf or as the agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by CUEM has been evaluated to determine if the proposed import arrangement meets the public interest requirement of section 3 of the NGA, as amended by

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

2/ See DOE/FE Opinion and Order No. 633 issued June 12, 1992 (1 FE 70,596). CUEM also was granted blanket authority to export up to 50 Bcf of natural gas to Canada under DOE/ERA

Opinion and Order No. 259 issued July 27, 1988 (1 ERA
70,795). Exports of natural gas under Order 259 have not yet
commenced, and the authorization remains in effect.

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 CUEM 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. CU Energy Marketing, Inc. (CUEM) is authorized to import from Canada, at any point on the international border, up to 200 Bcf of natural gas over a two-year term beginning on the date of the first import after June 16, 1994.

B. Within two weeks after deliveries begin, CUEM 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, CUEM 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, CUEM 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 June 17, 1994, until the end of the second calendar quarter, June 30, 1994.

Issued in Washington, D.C., on May 11, 1994.

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

