

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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AMERICAN GAS & TECHNOLOGY, INC. ) FE DOCKET NO. 94-33-NG  
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ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT AND EXPORT NATURAL GAS, INCLUDING LIQUEFIED  
NATURAL GAS, FROM AND TO CANADA AND MEXICO

DOE/FE ORDER NO. 948

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MAY 16, 1994

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

On April 5, 1994, American Gas & Technology, Inc. (AG&T) 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 20 Bcf and export up to 20 Bcf of natural gas, including liquefied natural gas (LNG), from and to Canada and Mexico. The term of the authorization would be for a period of two years beginning on the date of the initial import or export, whichever occurs first. AG&T, a California corporation with its principal offices in San Jose, California, is a marketer of natural gas and LNG. The natural gas and LNG to be imported and exported would be purchased and resold under spot and short-term transactions. The requested authorization does not involve the construction of new pipeline or LNG facilities.

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

The application filed by AG&T has been evaluated to determine if the proposed import and 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 or 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

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

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granted without modification or delay. The authorization sought by AG&T to import and export natural gas and LNG from and to Canada and Mexico, nations 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. American Gas & Technology, Inc. (AG&T) is authorized to import up to 20 Bcf and export up 20 Bcf of natural gas, including liquefied natural gas (LNG), from and to Canada and Mexico. This authorization is for a period of two years beginning on the date of the initial import or export, whichever occurs first. The natural gas and LNG may be imported and exported at any United States border point.

B. Within two weeks after deliveries begin, AG&T 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 or export of natural gas or LNG authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas and LNG imports and exports authorized by this Order, AG&T shall file with the Office of Fuels Programs, within 30 days following each calendar

quarter, quarterly reports indicating whether imports or exports have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, AG&T 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 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 point(s) of entry and exit; (5) the name of the United States transporter(s); (6) the geographic market(s) served; (7) whether the 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.

Issued in Washington, D.C., on May 16, 1994.

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

