

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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ARCO PRODUCTS COMPANY, DIVISION ) FE DOCKET NO. 94-40-NG  
OF ATLANTIC RICHFIELD COMPANY )  
\_\_\_\_\_ )

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 949

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MAY 16, 1994

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

On May 3, 1994, ARCO Products Company, Division of Atlantic Richfield Company (ARCO Products), 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, requesting blanket authorization to import up to 25 billion cubic feet (Bcf) of natural gas from Canada over a two-year term beginning on the date of first delivery after September 19, 1994.<sup>2/</sup> ARCO

Products, an unincorporated division of Atlantic Richfield Company (ARCO), operates a refinery located in Blaine, Washington. The refinery is owned by ARCO and is to be fueled by the imported gas. ARCO, a Delaware corporation with its principal place of business in Los Angeles, California, is a refiner and marketer of natural gas. The requested authorization does not involve the construction of new pipeline facilities.

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

The application filed by ARCO Products 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), an import of natural gas from a nation with which there is in effect a free trade agreement requiring

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

2. This is the expiration date of ARCO Products' existing

blanket import authorization granted by DOE/FE Opinion and Order  
No. 659 dated August 6, 1992 (1 FE 70,627).

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 ARCO Products 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

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Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. ARCO Products Company, Division of Atlantic Richfield Company (ARCO Products), is authorized to import up to 25 Bcf of natural gas from Canada over a two-year term beginning on the date of the first delivery after September 19, 1994. This natural gas may be imported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, ARCO Products 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, ARCO Products 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 have occurred, ARCO Products 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 point(s) of entry; (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 October 30, 1994, and should cover the period from September 20, 1994, until the end of the third calendar quarter, September 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