

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
RENAISSANCE ENERGY (U.S.) INC.) FE DOCKET NO. 94-37-NG
_____)

ORDER GRANTING LONG-TERM AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 952

MAY 31, 1994

I. DESCRIPTION OF REQUEST

On April 15, 1994, Renaissance Energy (U.S.) Inc. (Renaissance U.S.) 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 authorization to import up to 5,000 Mcf per day of natural gas from Canada. Renaissance U.S., a corporation organized under the laws of the State of Delaware, with its principal place of business in Calgary, Alberta, is a wholly-owned subsidiary of Renaissance Energy Ltd. (Renaissance Ltd.), a Canadian corporation. The gas would be imported by Renaissance U.S. from Renaissance Ltd. for resale to AmGas Inc. (AmGas).^{2/} AmGas is a natural gas company, located in Omaha, Nebraska, which aggregates gas supply for resale to local distribution companies and to industrial and commercial customers.

The proposed authorization would be effective as of the date of issuance of this order, and would extend for a period of ten years, until October 31, 2003. This is when both the import contract between Renaissance Ltd. and Renaissance U.S., dated January 1, 1993, and the resale contract between Renaissance U.S. and AmGas, dated November 1, 1993, expire. The point of delivery

into the United States for this gas would be at the international boundary near Monchy, Saskatchewan. Northern Border Pipeline

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

—

2/ AmGas was formerly Sioux Pointe Inc.

—

Company (Northern Border) will transport the gas from Monchy, Saskatchewan, to its interconnection with Northern Natural Gas Company (Northern Natural) at Ventura, Iowa, where AmGas would take possession. No new pipeline facilities would be constructed.

The monthly import price paid to Renaissance Ltd. by Renaissance U.S. will be a "net back" price based on the spot market price of gas delivered into Northern Natural's pipeline system at Ventura, Iowa, as published each month in Inside FERC's

Gas Market Report, less the transportation charges paid by

Renaissance Ltd. to Northern Border. The price paid by AmGas for gas purchased from Renaissance U.S. would be equal to the published spot market price at Ventura, Iowa. The contract between Renaissance U.S. and AmGas contains a list of 46 commercial and industrial customers in Iowa, including medical and academic organizations, to be served by the proposed import.

II. FINDING

The application filed by Renaissance U.S. 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 Renaissance U.S. 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.

ORDER

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

A. Renaissance Energy (U.S.) Inc. (Renaissance U.S.) is authorized to import from Canada up to 5,000 Mcf per day of natural gas purchased from Renaissance Energy Ltd. (Renaissance Ltd.), beginning on the date of this Order and continuing through October 31, 2003. This gas shall be imported near Monchy, Saskatchewan, pursuant to the terms of the contract between Renaissance Ltd. and Renaissance U.S. dated November 1, 1993, filed in this proceeding.

B. Within two weeks after deliveries begin, Renaissance U.S. shall provide written notification to the Office of Fuels Programs (OFP), Fossil Energy, Room 3F-056, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first imports of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, Renaissance U.S. shall file with OFP, within 30 days following each calendar quarter, quarterly reports showing by month the total volume (in Mcf) imported and the average purchase price per MMBtu paid to Renaissance Ltd. at the international

border. If Renaissance U.S. and AmGas Inc. (AmGas) implement an amendment to their gas supply contract which results in resales to markets other than Iowa, those States must be indicated in each subsequent quarterly report. Further, Renaissance U.S. must notify OFP in a timely manner of any revisions to the current list of resale customers contained in its contract with AmGas.

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 31, 1994.

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