

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

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VECTOR ENERGY (U.S.A.) INC.) FE DOCKET NO. 94-71-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 985

OCTOBER 4, 1994

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I. DESCRIPTION OF REQUEST _____

On September 21, 1994, Vector Energy (U.S.A.) Inc. (Vector) 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, for blanket authorization to import up to 44 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after October 31, 1994.^{2/} Vector, a Delaware corporation with its principal place of business in Wilmington, Delaware, is a wholly-owned subsidiary of Vector Energy Inc., which is a Canadian corporation. Vector will import the gas under short-term and spot market transactions for its own account, as well as for the accounts of others for which Vector may agree to act as agent. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Vector 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

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

2/ This is the expiration date of Vector's current blanket authorization to import natural gas from Canada, granted by DOE/FE Opinion and Order No. 699 on October 29, 1992 (1 FE 70,861), as amended by DOE/FE Opinion and Order No. 699-A on June

25, 1993 (1 FE 70,810).

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 Vector 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. Vector Energy (U.S.A.) Inc. (Vector) is authorized to import from Canada, at any point on the international border, up to 44 Bcf of natural gas over a two-year term beginning on the date of first delivery after October 31, 1994.

B. Within two weeks after deliveries begin, Vector 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 delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, Vector shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. If no imports have been made, a report of "no activity" for that calendar quarter must be

filed. If imports occur, Vector 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 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 January 30, 1995, and should cover the period from November 1, 1994, until the end of the fourth calendar quarter, December 31, 1994.

Issued in Washington, D.C., on October 4, 1994.

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