

FEBRUARY 24, 1995

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I. DESCRIPTION OF REQUEST _____

On February 15, 1995, CanWest Gas Supply U.S.A., Inc. (CanWest) 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 and export a combined total of up to 400 Bcf of natural gas from and to Canada over a two-year term beginning on the date of first delivery after February 28, 1995.^{2/} CanWest, a Delaware corporation

with its principal place of business in Vancouver, British Columbia, is owned by CanWest Gas Supply Inc., a Canadian corporation. CanWest proposes to import and export the gas under spot and short-term sales arrangements, 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 CanWest has been evaluated to determine if the proposed import/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

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

2/ This is the date CanWest's current blanket authorization to
import and export natural gas from and to Canada expires. See
DOE/FE Order No. 760 issued December 29, 1992 (1 FE 70,740).

granted without modification or delay. The authorization sought by CanWest to import and export natural gas from and to 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. CanWest Gas Supply U.S.A., Inc. (CanWest) is authorized to import from and to export to Canada a combined total of up to 400 Bcf of natural gas. This authorization is for a period of two years beginning on the date of the initial import or export, whichever occurs first, after February 28, 1995. These transactions may take place at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, CanWest 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 authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports and exports authorized by this Order, CanWest 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 occur, CanWest must report total monthly volumes in Mcf and the average purchase or sales price per MMBtu at the international border. The reports also shall 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 name of the U.S. transporter(s); (5) the point(s) of entry or exit; (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 Paragraph C of this Order is due not later than April 30, 1995, and should cover the period from March 1, 1995, until the end of the first calendar quarter, March 31, 1995.

Issued in Washington, D.C., on February 24, 1995.

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