

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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TENNESSEE GAS PIPELINE COMPANY ) FE DOCKET NO. 95-72-NG  
\_\_\_\_\_)

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1083

SEPTEMBER 21, 1995

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

On September 13, 1995, Tennessee Gas Pipeline Company (Tennessee) 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, for blanket authorization to import up to 200 Bcf of natural gas from Canada. The term of the authorization would be for a period of two years beginning on the date of the first import delivery after September 29, 1995.<sup>2/</sup> Tennessee is a

Delaware corporation with its principal place of business in Houston, Texas. Tennessee, a wholly-owned subsidiary of Tenneco Inc., is a natural gas transmission company. Tennessee would import this gas under short-term and spot market transactions for operating its pipeline or sale to U.S. purchasers. The requested authorization does not involve the construction of new pipeline facilities.

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

The application filed by Tennessee 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 day Tennessee's current blanket authorization to

import natural gas from Canada expires. See DOE/FE Order No. 850  
issued September 30, 1993 (1 FE 70,854).

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 Tennessee 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. Tennessee Gas Pipeline Company (Tennessee) is authorized to import from Canada, at any point on the international border, up to 200 Bcf of natural gas over a two-year term beginning on the date of the first delivery after September 29, 1995.

B. Within two weeks after deliveries begin, Tennessee 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 imports authorized by this Order, Tennessee shall file with OFP, 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 occur, Tennessee 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, 1996, and should cover the period from September 30, 1995, until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C., on September 21, 1995.

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