

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

PACIFIC GAS TRANSMISSION COMPANY) FE DOCKET NO. 95-92-NG
_____))

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1106

OCTOBER 30, 1995

I. DESCRIPTION OF REQUEST _____

On October 20, 1995, Pacific Gas Transmission Company (PGT) 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 1 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery.^{2/} PGT, a California interstate natural

gas pipeline company, is a wholly-owned subsidiary of Pacific Gas and Electric Company. PGT will import the gas under short-term purchase arrangements and will use the gas for line pack and system balancing.^{3/} The requested authorization does not

involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by PGT 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

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

2/ PGT's previous blanket authorization to import Canadian gas for line pack issued in DOE/FE Order No. 861 on October 12, 1993, expired October 11, 1995 (1 FE 70,866).

3/ Line pack is the volume of gas that must be maintained _____

within a pipeline at all times to maintain pressure and ensure uninterrupted flow or transportation of natural gas through the pipeline.

with the public interest and must be granted without modification or delay. The authorization sought by PGT 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. Pacific Gas Transmission Company (PGT) is authorized to import from Canada, at any point on the international border, up to 1 Bcf of natural gas over a two-year term beginning on the date of first delivery.

B. Within two weeks after deliveries begin, PGT 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. 20585-0350, 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, PGT 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, PGT 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 the date of this order until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C., on October 30, 1995.

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