

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
INLAND PACIFIC ENERGY SERVICES LTD.) FE DOCKET NO. 95-105-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS
FROM AND TO CANADA

DOE/FE ORDER NO. 1114

NOVEMBER 6_, 1995

I. DESCRIPTION OF REQUEST _____

On November 3, 1995, Inland Pacific Energy Services Ltd. (IPES) 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 50 billion cubic feet (Bcf) of natural gas and to export up to 50 Bcf of natural gas from and to Canada over a two-year term beginning on the date of first delivery after November 5, 1995.^{2/} IPES is a corporation organized under the laws of the Province of British Columbia. IPES will import and export the natural gas under spot and short-term purchase arrangements, either on its own behalf or as an agent for others. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by IPES has been evaluated to determine if the proposed import and 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

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

2/ This is the date IPES' current blanket authorization to import and export natural gas from and to Canada expires. IPES was formerly named Inland Natural Gas Marketing Ltd. See DOE/FE Order No. 808, issued June 8, 1993 (1 FE 70,802) as amended by _____

DOE/FE Order No. 808-A, issued December 9, 1994 (1 FE 71,058).

gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by IPES 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. Inland Pacific Energy Services Ltd. (IPES) is authorized to import up to 50 Bcf of natural gas and to export up to 50 Bcf of natural gas from and to Canada over a two-year term beginning on the date of first import or export delivery after November 5, 1995. This natural gas may be imported or exported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, IPES 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 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, IPES shall file with OFP, within 30 days following each calendar quarter, quarterly reports

indicating whether imports or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, IPES must report the following: (1) total monthly volumes in Mcf; (2) the average monthly purchase price of gas per MMBtu at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the United States transporter(s); (7) the point(s) of entry and exit; and (8) the geographic market(s) served (for imports, by State). For import transactions only, the report shall also include: (1) whether sales are being made on an interruptible or firm basis; and, if applicable, (2) 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 November 6, 1995, until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C., on November 6, 1995.

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