

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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SAN DIEGO GAS & ELECTRIC COMPANY) FE DOCKET NO. 95-107-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1125

NOVEMBER 29, 1995

I. DESCRIPTION OF REQUEST _____

On November 6, 1995, San Diego Gas & Electric Company (SDG&E) 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 up to 100 MMcf2/ per day of natural gas from Canada over a term of two

years beginning on the date of the first delivery after November 30, 1995.3/ SDG&E, a California corporation, is a retail

distributor of natural gas. The volumes will be imported by SDG&E under short-term sales arrangements on its own behalf. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by SDG&E 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

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

2. This is an amount equivalent to 73 Bcf of natural gas over the two-year term.

3. This is the expiration date of SDG&E's existing blanket import authorization granted by DOE/FE Opinion and Order No. 619 dated May 19, 1992 (1 FE 70,579).

consistent with the public interest and must be granted without modification or delay. The authorization sought by SDG&E 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. San Diego Gas & Electric Company (SDG&E) is authorized to import from Canada up to 73 Bcf of natural gas over a two-year term beginning on the date of first delivery after November 30, 1995. The gas may be imported at any U.S./Canada border point.

B. Within two weeks after deliveries begin, SDG&E 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 of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, SDG&E shall file with the Office of Fuels Programs, 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, SDG&E must report total monthly volumes in Mcf and the average purchase price 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 December 1, 1995, until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C., on November 29, 1995.

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