

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
THE CONSUMERS' GAS COMPANY LTD.) FE DOCKET NO. 95-117-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION
TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1129

DECEMBER 14, 1995

I. DESCRIPTION OF REQUEST _____

On December 8, 1995, The Consumers' Gas Company Ltd. (Consumers Gas) 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 export to Canada up to 100 Bcf of natural gas over a two-year period beginning on the date of first delivery after December 16, 1995.^{2/} Consumers Gas is an Ontario corporation with its

principal place of business in Willowdale, Ontario. Consumers Gas is a large natural gas distribution utility which serves residential, commercial and industrial customers primarily within the metropolitan Toronto, Ottawa, and Niagara Falls regions of Ontario, Canada. Consumers Gas intends to export the gas under spot and short-term transactions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Consumers Gas has been evaluated to determine if the proposed 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 export of natural gas to a nation with which there is in effect a free trade agreement requiring

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

2. Consumers Gas' existing blanket export authorization granted by DOE/FE Opinion and Order No. 860 dated October 7, 1993 (1 FE

70,865) expires December 15, 1995.

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 Consumers Gas to export natural gas 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. The Consumers' Gas Company Ltd. (Consumers Gas) is authorized to export, at any point on the U.S.-Canada border, up to 100 Bcf of natural gas to Canada over a period of two years beginning on the date of the first delivery after December 16, 1995.

B. Within two weeks after deliveries begin, Consumers Gas 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 export of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas exports authorized by this Order, Consumers Gas shall file with the Office of Fuels Programs, within 30 days following each calendar quarter, quarterly reports indicating whether exports of natural gas have

been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no exports have been made, a report of "no activity" for that calendar quarter must be filed. If exports have occurred, Consumers Gas must report monthly total volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each 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 exit; (6) the geographic market(s) served; and (7) whether the sales are being made on an interruptible or firm basis.

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 17, 1995, until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C., on December 14, 1995.

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