

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

ST. CLAIR PIPELINES LTD.)
_____)

FE DOCKET NO. 95-116-NG

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

DOE/FE ORDER NO. 1131

DECEMBER 19, 1995

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I. DESCRIPTION OF REQUEST

On December 5, 1995, St. Clair Pipelines Ltd. (St. Clair) 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 and export up to a combined total of 200 billion cubic feet (Bcf) of natural gas from and to Canada over a two-year term beginning on the date of first import or export delivery after December 20, 1995.^{2/}

St. Clair, a wholly-own subsidiary of Union Enterprises, Ltd, is a Canadian corporation with its principal place of business in Chatham, Ontario. St. Clair will import and export the gas under spot and short-term transactions, either on its own behalf or as the agent for others. The natural gas to be imported either will be Canadian domestic supplies or gas previously exported from the U.S. to Canada for subsequent importation and redelivery in the U.S. The natural gas to be exported either will be U.S. domestic supplies or gas previously imported into the U.S. from Canada for subsequent exportation and redelivery in Canada. The proposed authorization does not involve the construction of new pipeline facilities.

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

2/ This is the expiration date of St. Clair's current blanket

authorization to import and export natural gas from and to
Canada, granted in DOE/FE Order No. 896 on December 21, 1993
(1 FE 70,907).

II. FINDING

The application filed by St. Clair 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 gas is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by St. Clair 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. St. Clair Pipelines Ltd. (St. Clair) is authorized to import and export up to a combined total of 200 Bcf of natural gas from and to Canada over a two-year term beginning on the date of first import or export after December 20, 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, St. Clair 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, St. Clair 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, St. Clair 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 December 21, 1995, until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C., on December 19, 1995.

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