

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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EL PASO GAS MARKETING COMPANY ) FE DOCKET NOS. 95-123-NG  
\_\_\_\_\_) 95-101-NG

ORDER GRANTING BLANKET AUTHORIZATION TO IMPORT  
NATURAL GAS FROM AND EXPORT NATURAL GAS TO MEXICO  
AND VACATING ORDER

DOE/FE ORDER NO. 1140

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JANUARY 3, 1996  
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I. DESCRIPTION OF REQUEST

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On December 28, 1995, El Paso Gas Marketing Company (El Paso) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)<sup>1/</sup> and DOE Delegation Order Nos. 0204-111 and

0204-127, for blanket authorization to import up to 200 Bcf of natural gas from Mexico and to export up to 200 Bcf of natural gas to Mexico over a two-year term beginning on February 1, 1996.<sup>2/</sup> El Paso also requests that this Order supersede DOE/FE

Opinion and Order No. 1124, issued November 29, 1995<sup>3/</sup>, which

only authorizes the export of natural gas.

El Paso, a marketer of natural gas, is a Delaware corporation with its principal place of business in Houston, Texas, and a wholly-owned subsidiary of El Paso Natural Gas Company. El Paso states that it will import and export the gas under short-term arrangements on its own behalf as well as the behalf of others. The requested authorization does not involve the construction of new pipeline facilities.

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

2. El Paso's existing blanket export authorization granted by DOE/FE Opinion and Order No. 813, dated June 24, 1993, (1 FE 70,808) expires January 31, 1996.

3. FE Docket No. 95-101-NG.

## II. FINDING

The application filed by El Paso has been evaluated to determine if the proposed import/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 El Paso to import and export natural gas from and to Mexico, 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. El Paso Gas Marketing Company (El Paso) is authorized to import up to 200 Bcf of natural gas from and to export up to 200 Bcf of natural gas to Mexico over a two-year term beginning on the date of first delivery after January 31, 1996. This natural

gas may be imported and exported at any point on the border of the United States and Mexico.

B. DOE/FE Opinion and Order No. 1124 is vacated effective the date of this Order.

C. With respect to the natural gas imports and exports authorized by this Order, El Paso shall file with Office of Fuels Programs, 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, El Paso 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 April 30, 1996, and should cover the period from February 1, 1996, until the end of the first calendar quarter, March 31, 1996.

Issued in Washington, D.C., on January 3, 1996.

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