

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
TENNECO GAS MARKETING COMPANY) FE DOCKET NO. 96-16-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
EXPORT NATURAL GAS
TO CANADA AND MEXICO

DOE/FE ORDER NO. 1159

APRIL 19, 1996

I. DESCRIPTION OF REQUEST _____

On April 1, 1996, Tenneco Gas Marketing Company (TGMC) (TGMC) 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 export up to 200 Bcf of natural gas to Canada and to export up to 200 Bcf of natural gas to Mexico over a two-year term beginning on May 11, 1996.^{2/}

TGMC is a Kentucky corporation with its principal place of business in Houston, Texas, and a wholly-owned subsidiary of Tenneco Energy Resources Corporation. TGMC is a marketer and broker of natural gas throughout the United States. TGMC will export the gas under short-term and market sensitive price arrangements. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by TGMC 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 national treatment for trade in natural gas is deemed

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

2/ Applicant's current blanket export authorization granted

February 28, 1994, in DOE/FE Opinion and Order No. 596-A,
1 FE 70,938, expires May 10, 1996.

to be consistent with the public interest and must be granted without modification or delay. The authorization sought by TGMC to export natural gas to Canada and Mexico, nations with which free trade agreements are in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Tenneco Gas Marketing Company (TGMC) is authorized to export up to 200 Bcf of natural gas to Canada and to export up to 200 Bcf of natural gas to Mexico over a two-year term beginning on the date of first export after May 10, 1996. This natural gas may be exported at any point on the borders of the United States and Canada, and between the United States and Mexico.

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

C. With respect to the natural gas exports authorized by this Order, TGMC shall file with OFP, 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 of natural gas have been made, a report of "no activity"

for that calendar quarter must be filed. If exports have occurred, TGMC 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); and (7) the point(s) of exit.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than July 30, 1996, and should cover the period from May 11, 1996, until the end of the second calendar quarter, June 30, 1996.

Issued in Washington, D.C., on April 19, 1996.

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