

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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ANADARKO TRADING COMPANY )  
\_\_\_\_\_ )

FE DOCKET NO. 96-35-NG

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

DOE/FE ORDER NO. 1175

JUNE 24, 1996



I. DESCRIPTION OF REQUEST \_\_\_\_\_

On June 11, 1996, Anadarko Trading Company (ATC) filed an application with the Office of Fossil Energy 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 authorization to import up to 108 Bcf of natural gas and to export up to 108 Bcf of natural gas from and to Mexico for a two-year term.<sup>2/</sup> This Order will supersede DOE/FE Opinion and Order No. 970 (Order 970), issued August 31, 1994<sup>3/</sup>, which only authorizes the export of natural gas. ATC is a Delaware corporation with its principal place of business in Houston, Texas. The company will import and export natural gas under spot and short-term purchase arrangements. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING \_\_\_\_\_

The application filed by ATC 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).

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

2/ ATC's prior import authority under DOE/FE Order No. 1001, issued in Docket No. 94-90-NG on November 4, 1994, expired February 29, 1996. ATC inadvertently continued importing gas from Mexico without renewing its authorization and requests the

authorization sought in this application be made retroactive to  
March 1, 1996.

3/ FE Docket No. 94-57-NG.

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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 ATC 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 transaction under contracts with terms of no longer than two years.

ORDER

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

A. Anadarko Trading Company (ATC) is authorized to import up to 108 Bcf of natural gas and to export up to 108 Bcf of natural from and to Mexico, at any point on the international border from March 1, 1996, through February 28, 1998.

B. DOE/FE Order No. 970 is vacated effective the date of this Order.

C. Within two weeks after deliveries begin, ATC 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 and the date that the first export authorized in Ordering Paragraph A above occurred.

D. With respect to the natural gas imports and exports authorized by this Order, ATC 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, ATC 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.

E. The first quarterly report required by Ordering Paragraph D of this Order is due not later than July 30, 1996,

and should cover the period from April 1, 1996, until the end of the second calendar quarter, June 30, 1996.

Issued in Washington, D.C., on June 24, 1996.

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