

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

)
NUMAC ENERGY (U.S.) INC.)
_____)

FE DOCKET NO. 96-66-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS
FROM CANADA

DOE/FE ORDER NO. 1205

OCTOBER 10, 1996

I. DESCRIPTION OF REQUEST _____

On September 27, 1996, Numac Energy (U.S.) Inc. (Numac) 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 204-127, for blanket authorization to import up to 50 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after October 14, 1996^{2/}. Numac, a Delaware corporation with its principal place of business in Calgary, Canada, is a wholly-owned subsidiary of Numac Energy Inc.^{3/} Numac will import the gas under short-term purchase arrangements, either on its own behalf or as an agent for others. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by Numac has been evaluated to determine if the proposed import 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 of natural gas from a nation with

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

2/ Numac currently holds blanket authority to import natural gas from Canada, granted in DOE/FE Order No. 967 on August 12, 1994, (1 FE 71,002) which expires on October 14, 1996.

3/ Numac Energy Inc. is an Alberta corporation that directly or indirectly owns all of the partnership interest of Numac Energy,

a general partnership that is in the business of oil and gas exploration and development. Numac is the managing partner of the partnership.

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 Numac to import natural gas from 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. Numac Energy (U.S.) Inc. (Numac) is authorized to import up to 50 Bcf of natural gas from Canada over a two-year term beginning on the date of first delivery after October 14, 1996. This natural gas may be imported at any point on the border of the United States and Canada.

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

C. With respect to the natural gas imports authorized by this Order, Numac shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether

imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Numac must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports shall also provide the details of each import 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 United States transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served; (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) 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, 1997, and should cover the period from October 15, 1996, until the end of the Forth calendar quarter, December 31, 1996.

Issued in Washington, D.C., on October 10, 1996.

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