

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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NORTH CANADIAN MARKETING CORPORATION ) FE DOCKET NO. 96-78-NG  
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ORDER GRANTING BLANKET AUTHORIZATION  
TO IMPORT NATURAL GAS FROM AND  
TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1218

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OCTOBER 31, 1996

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

On October 31, 1996, North Canadian Marketing Corporation (NCM) 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 up to 146 Bcf of natural gas from Canada and to export up to 40 Bcf of natural gas to Canada over a two-year term beginning on the date of first import or export delivery after December 31, 1996. 2/ NCM, a California corporation with its principal place of business in Santa Ana, California, is a wholly-owned subsidiary of North Canadian Resources, Inc., which is a wholly-owned subsidiary of Norcen Explorer Inc., which is a wholly-owned U.S. subsidiary of Norcen Energy Resources Limited. NCM will import and export the requested volumes under short-term and spot market transactions for its own account, as well as for the accounts of others. The requested authorization does not involve the construction of new pipeline facilities.

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

The application filed by NCM 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

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

2. This is the date which NCM's existing blanket import/export authorization, granted by DOE/FE Order No. 989, dated October 27, 1994, (1 FE 71,032) expires.

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 NCM 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

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

A. North Canadian Marketing Corporation (NCM) is authorized to import up to 146 Bcf of natural gas from Canada and to export up to 40 Bcf of natural gas to Canada over a two-year term beginning on the date of first import or export delivery after December 31, 1996. This natural gas may be imported and exported at any U.S./Canada border point.

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

C. With respect to the natural gas imports and exports authorized by this Order, NCM 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, NCM 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, 1997, and should cover the period from January 1, 1997, until the end of the first calendar quarter, March 31, 1997.

Issued in Washington, D.C., on October 31, 1996.

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