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OFFICE OF FOSSIL ENERGY NATURAL GAS DIVISION DOCKET INDEX

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03/28/02

FE DOCKET NO.:

5N-36-NG

APPLICANT(S):

ENGAGE ENERGY AMERICA L.L.C.

ITEM	PREPARED OR FILED BY	FILING TYPE	DESCRIPTION OF DOCUMENT	DATED	DATE FILED OR ISSUED
-	COASTAL GAS MARKETING COMPANY L	APPLICATION	Application for Authorization to Import Natural Gas from Canada at Niagara Falls (Long Term)	97-04-30	97-04-30
7	DOE/FE 🗸	ORDER	Order 1275Granting Long-Term Authonty to Import Natural Gas from Canada	97-05-23	97-05-23
က	-WESTCOAST GAS SERVICES DELAWARE	CORRESPONDENCE	Letter Requesting DOE Transfer Existing Authority to Import Long Term Authorization from Coastal Gas Marketing Co and Engage Energy US, L.P.	00-09-21	00-09-21
ব	VOOE/FE	ORDER	Order 1275-A Transferring Long-Term Authority to Import Natural Gas from Canada	00-09-29	00-09-29
v	V ENGAGE ENERGY AMERICA CORP.	AMENDMENT	Requesting Transfer of Import Authority from Westcoast Gas Services Inc	00-11-00	00-11-09
ဖ	DOE/FE	ORDER	Order 1275-BTransferring Long-Term Authority to Import Natural Gas from Canada	00-11-20	00-11-20
7	Vengage energy america L.L.C.	AMENDMENT	Requesting Transfer of Import Authority from Engage Energy America Corp.	01-04-05	01-04-05
ω	U DOE/FE	ORDER	Order 1275-C Transferring Long-Term Authority to Import Natural Gas from Canada	01-04-19	01-04-19



97-36-NG

April 30, 1997

Mr. John Glynn
U.S. Department of Energy
Office of Natural Gas & Petroleum
Import and Export Activities
1000 Independence Avenue, S.W.
FE-53, Room 3H-087
Washington, D.C. 20587

Dear Mr. Glynn:

Pursuant to 10 C.F.R. §590.103(a), enclosed are an original and fifteen (15) copies of two applications: (1) Application of Coastal Gas Marketing Company for an Order Authorizing the Long-Term Importation of Natural Gas from Canada at St. Clair to serve markets off Great Lakes Gas Transmission System and (2) Application of Coastal Gas Marketing Company for an Order Authorizing the Long-Term Importation of Natural Gas from Canada at Niagara Falls to serve markets off National Fuel Gas Supply Corporation and/or Tennessee Gas Pipeline Company. Also enclosed are three (3) additional copies of each application to be date stamped and returned, and a check in the amount of \$100.00 to cover the filing fees.

If you have any questions regarding the enclosed application, please contact me at (202) 331-4665.

Sincerely,

Susan W. Ginsberg

Director, Regulatory Affairs

Enclosures

cc: Sandy MacCulloch

ORIGINAL

UNITED STATES OF AMERICA BEFORE THE DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY OFFICE OF NATURAL GAS & PETROLEUM IMPORT & EXPORT ACTIVITIES

)

Coastal Gas Marketing Company

Docket No. FE97-34NG

APPLICATION OF COASTAL GAS MARKETING COMPANY FOR AN ORDER AUTHORIZING THE LONG-TERM IMPORTATION OF NATURAL GAS FROM CANADA AT NIAGARA PALLS

Pursuant to Section 3 of the Natural Gas Act (15 U.S.C.)
717b), as amended by Section 201 of the Energy Policy Act of:1992
(P.L. 102-486), the rules and procedures of 10 C.F.R. Part 5907 and
DOE Delegation Orders No. 0204-111 and 0204-127, Coastal Gas
Marketing Company ("CGM", or "Applicant") submits this application
for an order authorizing CGM to import natural gas from Canada for
transportation on National Fuel Gas Supply Corporation ("National
Fuel") and/or Tennessee Gas Pipeline Company ("Tennessee") for its
overall supply pool to supply markets in the U.S. Northeast. CGM
requests that this authorization be granted for a term of ten
years, commencing November 1, 1997. In support hereof, CGM submits
the following:

I.

The exact legal name of Applicant is Coastal Gas Marketing Company. CGM is a corporation organized and existing under the laws of the State of Delaware, and has its principal place of business at 9 Greenway Plaza, Houston, Texas 77046. CGM is engaged in the business of buying and selling natural gas.

All communications concerning this Application should be addressed to:

W.O. Strong III, Esquire Coastal Gas Marketing Company 9 Greenway Plaza Houston, Texas 77046-0995

Attorney for Coastal Gas Marketing Company

Tel: (713) 877-1400 Fax: (713) 877-6714

Susan W. Ginsberg Director, Regulatory Affairs Coastal Gas Marketing Company 2000 M Street, N.W. Suite 300 Washington, D.C. 20036

Tel: (202) 331-4665 Fax: (202) 331-4617

III.

CGM requests authorization from the Office of Fossil Energy, Office of Natural Gas & Petroleum Import & Export Activities to import up to 5 MMcf per day of Canadian natural gas for a period of ten years, commencing on November 1, 1997. The imported gas will be part of the pool of gas from which CGM supplies its East Coast markets.

IV.

The gas to be imported will be produced in the Province of British Columbia, Canada and supplied by Ranger Oil Limited ("Ranger"). The gas will be received into the NOVA Gas Transmission Ltd. ("NOVA") pipeline system and transported to Empress, Alberta, and NOVA's interconnect with TransCanada Pipelines Limited ("TCPL"). TCPL will transport the gas to the Canada-U.S. border at a point near Niagara Falls, Ontario, where the gas will move on National Fuel and/or Tennessee. Ranger has requested firm

transportation on TCPL as part of its 1997 Expansion Facilities. CGM is in the process of obtaining firm transportation on National Fuel for a one-year term commencing November 1, 1997, and on Tennessee for the term November 1, 1998 to October 31, 2008.

While Niagara Falls, Ontario, will be the primary export point for the suppliers' gas, CGM wishes to retain the flexibility to export at other export points should this become desirable from time to time.

v.

The natural gas to be imported under the subject long-term authorization will be used by CGM to serve markets in the U.S. Northeast, which consist primarily of local distribution companies, as well as electric generation companies and industrial end users. The natural gas will essentially form part of CGM's portfolio of supply available to serve all of CGM's existing and new markets. At the present time, CGM markets in excess of 500 MMcf/d of natural gas in the U.S. Northeast alone.

VI.

The Energy Policy Act states that the importation and exportation 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, shall be deemed to be consistent with the public interest, and applications for importation and exportation shall be granted without modification or delay." Because CGM's

application is for the importation of natural gas from Canada, with which the United States has in effect a free trade agreement, CGM submits that its application meets the public interest.

VII.

CGM confirms its obligation to file with the Office of Fuels Program, Fossil Energy, within thirty (30) days following each calendar quarter, quarterly reports indicating the volumes sold and sales price at the International Border of any imports made.

CGM submits the following Exhibits in support of this application:

Exhibit A: Opinion of Counsel

Exhibit B: Gas Purchase Agreement for the Niagara

Falls Export Market between CGM and

Ranger Oil Limited

WHEREFORE, CGM submits that, for the reasons set forth above, its Application for authorization to import natural gas from Canada is consistent with the public interest, CGM respectfully requests authorization from the Department of Energy to import natural gas from Canada on National Fuel and/or Tennessee pursuant to the terms

and conditions stipulated herein for a period of ten (10) years commencing on November 1, 1997.

Respectfully submitted, COASTAL GAS MARKETING COMPANY

W.O. Strong III, Esquire Attorney for Coaseal Gas Marketing Company

9 Greenway Plaza

Houston, Texas 77046-0995

Tel: (713) 877-1400

Dated at Houston, Texas, this 24th day of April, 1997 EXHIBIT A:

Opinion of Counsel



W. O. STRONG, III Senior Steff Attorney Telephone: (713) 877-7093 Fecsimile: (713) 877-6714

April 24, 1997

Mr. Clifford Tomaszewski
U.S. Department of Energy
Office of Fossil Energy
Office of Natural Gas & Petroleum
Import & Export Activities
1000 Independence Avenue, S.W.
Room 3H087
Washington, D.C. 20001

Re: Long-Term Importation of Natural Gas from Canada by Coastal Gas Marketing Company, Docket No. FE97- -NG

Dear Mr. Tomaszewski:

As counsel for Coastal Gas Marketing Company ("CGM"), Applicant in the above-referenced proceeding, I have reviewed the Certificate of Incorporation and Bylaws of CGM, and such other documents as I have deemed necessary in order to advise you that:

- 1. CGM is a corporation duly incorporated and validly existing in good standing under the laws of the State of Delaware, and has all requisite corporate power and authority to own and operate its properties and to carry on its business; and
- 2. CGM has the requisite corporate authority to import natural gas from Canada.

Truly yours,

W.O. Strong IL

Attorney for Coastal Gas Marketing Company

EXHIBIT B:

Gas Purchase Agreement for the Niagara Falls Export Market between CGM and Ranger Oil Limited Ranger Oil Limited 1600 321 6 Avenue SW Calgary, Alberta, T2P 3H3

Attention: Stan Wong

Dear Stan:

RE: GAS PURCHASE AGREEMENT FOR THE NIAGARA FALLS EXPORT MARKET AREA ACCESSED BY TRANSCANADA PIPELINES LIMITED BETWEEN COASTAL GAS MARKETING COMPANY ("Buyer") AND RANGER OIL LIMITED ("Selier")

To confirm our recent agreement, this letter ("Letter") outlines the general terms and conditions to which our companies (collectively referred to as "Parties" individually referred to as "Party") have agreed with respect to the captioned gas purchase arrangement. The overall nature of the arrangement is that Buyer shall purchase Seller's gas in the U.S. Northeast and market the same to various customers of Buyer as designated by Buyer, including affiliates of Buyer ("Customers").

Seller and Buyer are in the process of obtaining firm transportation capacity for the gas subject to this Letter as follows:

- (i) Seller has requested firm transportation service on TransCanada PipeLines Limited ("TCPL") pipeline system from Empress, the interconnect between the TCPL pipeline system and NOVA Gas Transmission Ltd. ("NOVA") pipeline system, to Nisgara, Ontario (the "TCPL Service"). The Parties acknowledge that the subject TCPL Service will be part of TCPL's facilities application to the National Energy Board of Canada for expansion of facilities, for an in-service date estimated to be November 1, 1997 (TCPL 1997 Expansion Facilities"). The term of the TCPL Service is ten (10) years, from November 1, 1997 through October 31, 2007.
- (ii) Buyer has requested firm transportation from the international border near Niagera, Falls. The transportation requested is comprised of two tranches. The first tranche is for firm transportation on National Fuel Gas Supply Corporation ("National Fuel") pipeline system for the term November 1, 1997 to October 31, 1998 ("National Fuel Service"). The second tranche is for firm transportation on Tennessee Gas Pipeline Company ("Tennessee") pipeline system for the term November 1, 1998 to October 31, 2006 ("Tennessee Service").

1. Conditions Precedent and Date of First Delivery

The "Date of First Delivery" shall be the later of November 1, 1997 or the first day of the month immediately following the month in which the last of the following conditions precedent is satisfied.

- (i) Buyer and Soller shall have obtained, on terms and conditions reasonably satisfactory to each, all Canadian and U.S. regulatory authorizations as requested by TCPL and the regulators (including state and local authorizations as applicable) (short term is acceptable if long term is not required by TCPL or the regulators) or as required by applicable law, to complete this transaction, all collectively referred to as the "Regulatory Authorizations".
- (ii) Seller shall have obtained confirmation from TCPL that Seller shall hold TCPL Service in order to commence and continue deliveries for the term of the TCPL Service.

- (iii) Buyer shall have obtained confirmation from National Fuel that Buyer shall hold National Fuel Service in order to receive deliveries for the term of the National Fuel Service.
- (iv) Buyer shall have obtained confirmation from Tennessee that Buyer shall hold Tennessee Service for the term of the Tennessee Service.

If all conditions precedent have not been satisfied or waived by both parties, either Buyer or Seller may on or before September 30, 1997 give notice to terminate this Latter by giving the other Party prior written notice of termination to be effective November 1, 1997, unless the remaining conditions precedent are satisfied prior to the November 1, 1997 termination date, in which event, this Letter shall remain in force and effect. If neither Buyer or Seller has given notice to terminate on or before September 30, 1997 and if by November 1, 1997 all conditions precedent have not been satisfied or waived, the time for satisfaction or waiver of all remaining conditions precedent shall automatically be extended to January 31, 1998. If all remaining conditions precedent are not satisfied by January 31, 1998, this Letter shall terminate.

The Parties shall use reasonable efforts to obtain satisfaction of the conditions precedent.

2. Term

- (a) This Letter shall be affective as of the date specified on the first page, with delivery and purchase obligations estimated to commence November 1, 1997. Subject to the provisions hereunder, this Letter shall remain in effect for ten (10) years commencing November 1, 1997 and extending through to the termination date of the TCPL Service, which is expected to be October 31, 2007 (the "Term").
- (b) A "Contract Year" shall be the period of time from the first day of November of a calendar year through to the following calendar year's thirty-first day of October. The first Contract Year shall commence on the Date of First Delivery and end on the succeeding October 31.

3. Volume

The Daily Quantity ("DQ") shall be 141.6 103m3 per day at the Delivery Point (defined below).

4. Delivery Point

The "Delivery Point" shall be the international border at the interconnect, between TCPL and National Fuel or Tennessee near Niagara Falis, as applicable. All volumes delivered shall be measured by TCPL at the Delivery Point.

5. Pricing

For all gas delivered to Buyer each month at the Delivery Point during the Term, Buyer shall pay to Seller the monthly index price as published by "Gas Daily" under the category "Niagara Falls, NY", less a marketing fee as agreed to by the Parties and set out in a letter dated February 20, 1997. Payment shall be made by the 25th of the month next following the month of delivery, if an invoice is received by the tenth (10th) of the month; otherwise, payment shall be made within fifteen (15) days after receipt of the applicable invoice. Interest shall accrue on late payments at a rate of prime plus 2%: Prime rate shall be the prime rate as designated by the Canadian Imperial Bank of Commerce main branch in Calgary, Alberta.

6. Delivery and Take Obligations

Seller shall sell and deliver on a firm basis, and Buyer shall receive and purchase on a firm basis the DQ.

- (a) If Saller fails to delivery the DQ for reasons other than Force Majeure (defined below), then Buyer is entitled to an indemnity amount from Seller. That amount, calculated as liquidated damages, will be that total of all of the following:
 - (i) an amount equal to the difference between the DQ and the quantity actually delivered by Seller (that quantity difference is "Seller Default Gas"), multiplied by the positive difference, if any, obtained by subtracting the contract price from the market price at which Buyer purchases a gas quantity equal to the Seller Default Gas quantity; plus
 - (ii) all transportation costs or penalties for which Buyer is liable as a result of Buyer's transportation capacity left unutilized due to Seller's failure to deliver, plus
 - all additional transportation costs for which Buyer is liable under alternate transportation errangements that Buyer has been required to make, to take delivery of Seller Default Gas quantities at an alternate supply delivery point due to Seller's failure to deliver.
- (b) If Buyer fails to take the DQ, then Seller is entitled to an indemnity amount from Buyer. That amount, calculated as liquidated damages, will be the total of all of the following:
 - (i) an amount equal to the difference between the DQ and the quantity actually taken by Buyer (that quantity difference is "Buyer Default Gas"), multiplied by the positive difference, if any, obtained by subtracting from the contract price the market price at which Seller resells the quantity equal to the Buyer Default Gas quantity; plus
 - (ii) all transportation costs or penalties for which Seller is liable as a result of Seller's transportation/capacity left unutilized due to Buyer's failure to take; plus
 - (fii) all additional transportation costs for which Seller is liable under alternate transportation arrangements that Seller has been required to make to deliver Buyer Default Gas quantities to an alternate sales delivery point due to Buyer's failure to take.
- (c) The non defaulting party is to do everything commercially reasonable to mitigate the effect of the performance default but is not compelled to act to its economic detriment. The indemnity amounts are to be itemized and delivered in an indemnity invoice as soon as all information is known, or can be estimated with reasonable accuracy. The total amount must be paid by the defaulting party within five (5) business days after delivery of the indemnity invoice, and the parties subsequently must adjust and settle accounts between them once any actual information is known in substitution of any reasonably estimated information.
- Buyer shall actively support Seller's TCPL application to the applicable regulatory bodies and shall use commercially reasonable efforts to demonstrate sufficient market to such regulatory bodies (including without limitation the Alberta Energy Utilities Board, the National Energy Board and Federal Energy Regulatory Commission) as may be necessary to: (i) obtain any Regulatory Authorizations including, without limitation, a Long Term Alberta Removal Permit; (ii) use commercially reasonable efforts to support TCPL's facilities application; and (iii) use commercially reasonable efforts to obtain, separately or in conjunction with Seller, a Long Term Export Licence.
- (e) Seller shall be responsible for all costs for evaluating and testifying to Seller's reserves, deliverability and supply as required in connection with Buyer or Seller obtaining and maintaining the Regulatory Authorizations.

7. Force Majeure

An event of "Force Majoure" specifically means, and is ilmited to, only an event of:

- (a) curtailment, reallocation or pro-rationing of tirm transportation service under Seller's transportation or Buyer's transportation, as authorized by the publishing tariff, policies or procedures of the respective pipeline company, and regardless of whether or not the pipeline company has issued a formal notice of force majoure; or
- (b) an order of any court, regulatory tribunal or government body, the effect of which is to make the continued part or entire performance by one or both parties under this Letter illegal or prohibited.

For greater certainty, loss of Buyer's customer(s) or a supply failure for Seller shall not constitute Force Majoure. In the event Force Majoure is claimed by Seller, Seller shall be under no obligation to buy and deliver replacement gas to the Delivery Point. During Force Majoure, Buyer or Seller, as applicable, shall treat the other party equitably with its other firm contracts pertaining to the Delivery Point and having similar terms and conditions as provided in this Letter.

No other events are force majeure events under this Letter.

8. Replacement of Price Indexes if Indexes are No Longer Published or Available

In the event the monthly price index reference agreed to hereunder ceases to exist or is no longer published, the Parties will meet within twenty (20) days of a written request by either Party to determine a replacement price index. If egreement on a new monthly price index is not reached within thirty (30) days then the matter may be submitted to Arbitration in accordance with Section 9. Any mutually-acceptable change to the index shall be effective as of the date the subject monthly price index reference was no longer available.

9. Arbitration

In the event that (a) there is a dispute between the Parties; or (b) the Parties are unable to agree on a replacement for a price index used herein that is no longer available, then such matter may be subject to binding arbitration. Upon acceptance of a written notice of a request for arbitration from one Party to the other Party, the Parties shall use the British Columbia Commercial Arbitration Act ("BCCAA") and the services of the British Columbia Arbitration Center to select a single independent arbitrator. The arbitration shall be "baseball" arbitration wherein the arbitrator shall select either the Seller's or the Buyer's written proposal. The Formal Contract (defined below) may specify a baseball arbitration methodology for selecting alternative price Indexes which does not follow formal BCCAA arbitration.

10. Sole Remedy and Limitation on Damages

The remedies outlined hereunder for Seller's or Buyer's failure to perform their respective delivery and receipt obligations shall be the sole remedies for such failures. Furthermore, neither Buyer nor Seller shall be liable to the other for any indirect, consequential, incidental, special or punitive damages resulting from a breach of a term or condition provided in this Letter, or for any claim in negligence, tort or breach of a fiduciary or statutory duty.

11. Seller's Right to Suppond Delivery and Then Terminate in the Event of Fallure To Pay

If the fallure to pay an undisputed amount continues for five (5) consecutive business days after the day payment is due and such late payment is not the fault of Seller, then Seller, in addition to any other remedy hereunder, may, after twenty-four (24) hours prior written notice to Buyer, Immediately suspend further deliveries of gas under this Letter, until the overdue amount inclusive of interest is fully paid. If fallure to pay continues for an additional five (5) business days after the suspension is in effect, then Seller may terminate this Letter immediately.

12. Measurement and Conversions

- (a) All gas to be delivered hereunder shall be measured as to volume, quality and heating value by TCPL in accordance with the provisions set out in TCPL's tariff, in effect from time to time, at the meters installed, operated and maintained by TCPL at the Delivery Point. The heating value of the delivered gas shall be determined by instruments operated by TCPL. The measurements and all other volume, quality and heating value measurements as made by TCPL shall be accepted by the Parties and utilized for all purposes pursuant to this Letter.
- (b) All conversions to be done for or in relation to this Letter from imperial units of measurement to metric units or vice versa shall be done by utilizing the conversion utilized by TCPL from time to time at the Delivery Point.

13. Reguletory Authorization Costs

Each Party shall be responsible for its own direct expenses associated with obtaining the Regulatory Authorizations, subject to the following:

- (i) Seller shall be responsible for all costs associated with obtaining the National Energy Board export licence;
- (ii) Buyer shall be responsible for all costs associated with testifying to matters pertaining to the downstream transportation and end-use of the gas herounder.
- (iii) Buyer shall be responsible for all costs associated with obtaining the U.S. Import Authorizations;
- (iv) Seller shall be responsible for all costs essociated with obtaining the Alberta Energy Utilities Board Removal Permit.

14. Transportation Costs

Subject to Paragraph 6(b)(ii), Saller agrees that it shall pay for all costs and charges associated with or related to NOVA and TCPL Service, based on 100% utilization, including pipeline tariffs and tolls, fuel charges and taxes, incurred on the NOVA and TCPL pipeline systems.

15. Assignment

This Letter may not be assigned by either party without the prior written consent of the other party which shall not be unreasonably withheld; provided however, Buyer shall have the right without any consent to assign this Letter to Engage Energy Canada, L.P.

18. Warrenty & Title

Seller warrants that it has good and marketable title to all gas delivered to Buyer and agrees to indemnify Buyer from any adverse claims against such gas, including any liens, encumbrances or security interests.

17. Other

(a) Each Party shall from time to time and at all times after the date of this Letter, on reasonable written request to do so, do all such further acts and execute and deliver, or cause to be done, executed or delivered all such further acts, deeds, documents, assurances and things as may be reasonably required in order to perform fully and to more effectively implement and carry out the terms of this Letter.

Ranger Off Limited Latter Agreement Page 6

- (b) This Letter outlines the general terms of our agreement. The Parties agree to replace this Letter with a multially-acceptable comprehensive agreement (the "Formal Contract"), Intended to be finalized by no later than May 1, 1997. The Formal Contract will contain other standard terms and conditions commonly found in long term gas supply arrangements.
- (c) Until this Latter is replaced with the Formal Contract, this Letter shall be the contract between the Parties.
- (d) No amendment attention or waiver of any provisions of this Letter shall be binding upon either Party unless the same is in writing and signed by the Parties.
- (e) This Letter shall be governed by the laws of the Province of Alberta and the Parties submit to the exclusive jurisdiction of the Courts of Alberta and courts of appeal therefrom for the interpretation, construction and enforcement of this Letter.
- (f) This Letter shall bind and enurs to the benefit of the Parties and their respective successors and permitted assigns.
- (g) The contents of this Letter are confidential and not to be discussed with or disclosed to any third party, except: (i) with the express prior written consent of the other party; or (ii) as may be required by a regulatory agency or court of law.

UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

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COASTAL GAS MARKETING COMPANY

FE DOCKET NO. 97-36-NG

ORDER GRANTING LONG-TERM AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1275

MAY 23, 1997

I. <u>DESCRIPTION OF REQUEST</u>

On April 30, 1997, Coastal Gas Marketing Company (CGM) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act $(NGA)^{\frac{1}{2}}$ and DOE Delegation Order Nos. 0204-111 and 0204-127, for authorization to import up to 5 MMcf per day of Canadian natural qas for a period of ten years commencing on November 1, 1997. CGM, a Delaware corporation with its principal place of business in Houston, Texas, intends to purchase the imported natural gas from Ranger Oil Limited (Ranger) pursuant to the terms of a Letter Agreement dated February 20, 1997.2/ The Letter Agreement between CGM and Ranger provides that CGM pay Ranger the monthly index price as published by "Gas Daily" under the category "Niagara Falls, NY", less a marketing fee. The natural gas will essentially form part of CGM's portfolio of supply available to serve all of CGM's existing and new markets. These markets consist principally of local distribution companies, electric generation companies, and industrial end-users.

The gas to be imported will be produced in the Province of British Columbia, Canada, and transported by the NOVA Gas

Transmission Ltd. (NOVA) pipeline system to Empress, Alberta, where NOVA interconnects with TransCanada PipeLines Limited (TCPL). TCPL will transport the gas to the Canada/U.S. border at a point near Niagara Falls, Ontario, where the gas will move on

^{1/ 15} U.S.C. § 717b.

 $[\]underline{2}$ / CGM and Ranger are negotiating formal contracts to replace the Letter Agreement.

National Fuel Gas Supply Corporation and/or Tennessee Gas Pipeline Company to markets in the U.S. Northeast.

II. FINDING

The application filed by CGM has been evaluated to determine if the proposed import arrangement meets the public interest requirements 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 importation of natural gas from 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 CGM 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.

ORDER

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

A. Coastal Gas Marketing Company (CGM) is authorized to import up to 5 MMcf per day of Canadian natural gas for a period of ten years, beginning on November 1, 1997, under the terms and conditions of a letter agreement dated February 20, 1997, with Ranger Oil Limited. This natural gas may be imported at Niagara Falls, New York, or at alternative border points with transportation facilities accessible by CGM.

- B. CGM shall file with the Office of Natural Gas & Petroleum Import and Export Activities all executed natural gas supply contracts pertaining to the natural gas to be imported within 30 days of their execution.
- C. Within two weeks after deliveries begin, CGM shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities, Fossil Energy, Room 3F-056, FE-34, Forestall Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import delivery of natural gas authorized in Ordering Paragraph A above occurred.
- D. With respect to the natural gas imports authorized by this Order, CGM shall file with the Office of Natural Gas & Petroleum Import and Export Activities, within 30 days following each calendar quarter, a quarterly report indicating by month the volumes and prices of natural gas imported pursuant to this Order. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, CGM must report by month, the volumes in Mcf by supplier and the average purchase price of gas per MMBtu delivered at the international border and paid to Ranger Oil Limited. Whenever imports have occurred at an entry point other than Niagara Falls, New York, these volumes and prices must be reported separately. In addition, CGM shall provide to the extent possible, a breakdown of the import volume showing the amount sold in each State and to each of its customers.

E. The first quarterly report required by Ordering

Paragraph D of this Order is due not later than January 30, 1998,

and should cover the period from November 1, 1997, until the end

of the fourth calendar quarter, December 31, 1997.

Issued in Washington, D.C. on May 23, 1997.

Wayne E. Peters

Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import and Export Activities

Office of Fossil Energy



January 23, 1998

Office of Fuels Programs Fossil Energy Room 3F-056 FE-50 Forrestal Building 1000 Independence Avenue, S.W. Washington, D.C. 20585 Attn: Larine Moore

DOE/FE Order No. 1202. FE Docket No. 96-52-NG; No. 1253. FE Docket RE:

No. 97-03-NG; and No. 1275, FE Docket No. 97-36-NG

Dear Ms. Moore:

Pursuant to ordering paragraph C of the Orders Granting Long-Term Authorization to Import Natural Gas from Canada, issued in the above-referenced dockets on September 24, 1996; February 13, 1997; and May 23, 1997, Coastal Gas Marketing Company hereby reports that the first imports of natural gas occurred on November 1, 1997. This notice should have been provided to you by November 12, 1997. However, due to administrative oversight, this notice is being provided late.

Should you have any questions, please contact me at (202) 331-4665.

Truly yours, Susan W. Linsberg

Susan W. Ginsberg

Director, Regulatory Affairs



VIA TELECOPY

200°D DOE/FE 2000 MAY 37 P **3: 40**

May 31, 2000

Ms. Yvonne Caudillo
Office of Fuels Programs
U.S. Department of Energy
1000 Independence Avenue, S.W.
Washington, D.C. 20585

RE: DOE/FE Order No. 1275, FE Docket No. 97-36-NG

Dear Yvonne:

By letter dated January 23, 1998, notice of first flow under the above-referenced docket was reported as occurring on November 1, 1997. However, it was determined over the past few days that gas under Docket No. 97-36-NG remained in Canada and has not been imported into the United States. Therefore, the notice of first flow is rescinded. When the authorization is activated, Engage will provide notification pursuant to ordering paragraph C of the Order Granting Long-Term Authorization to Import Natural Gas from Canada. Should you have any questions regarding activity under this authorization, please call me at (202) 331-4665.

Truly yours,

Susan W. Ginsberg

Director, Regulatory Affairs

Sun W. Linsling

ENGRGE

DATE: 5-31-00

1: Susan Ginsberg	•	PAGES:
I: Susan Ginsberg Yvonne Caudillo	NUMBER:	580-6050
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	PLETE, PLEASE C	ONTACT:



September 12, 2000

Mr. John Glynn U.S. Department of Energy 1000 Independence Avenue, S.W. Washington, D.C. 20585

RE: Docket No. FE95-104-NG, Coastal Gas Marketing Company

Docket No. FE96-52-NG, Coastal Gas Marketing Company Docket No. FE97-03-NG, Coastal Gas Marketing Company Docket No. FE97-36-NG, Coastal Gas Marketing Company Docket No. FE97-37-NG, Coastal Gas Marketing Company

Docket No. FE97-48-NG, Engage Energy US, L.P.

Dear Mr. Glynn:

Pursuant to 10 C.F.R., Part 590.405, Engage Energy US, L.P. ("Engage") requests that the above-referenced long-term gas import authorizations be transferred from the current hoper to Westcoast Gas Services Delaware (America) Inc. ("WGSI Delaware"). The authorizations granted to Coastal Gas Marketing Company were not transferred to Engage when the limited partnership was formed. However, Engage has continued to report import volumes on a quarterly basis for these dockets.

Engage is a Delaware limited partnership owned by CGM, Inc.; WGSI Delaware; and Westcoast Delaware U.S.A. WGSI Delaware is a Delaware corporation, with its principal place of business to be located in Southfield, Michigan. WGSI Delaware is a wholly-owned subsidiary of Westcoast Gas Services (America) Inc., which ultimately is owned by Westcoast Energy Inc., a major Canadian natural gas company based in Vancouver, British Columbia. Effective October 1, 2000, Engage will be transferring some of the partnership interests to WGSI Delaware. The above-referenced authorizations are part of the assets to be transferred, subject to approval from the Department of Energy.

In accordance with 10 C.F.R., Part 590, Engage is submitting a check for \$300, which represents the \$50 fee per application. Should you have any questions regarding the requested transfer, please call me at (202) 331-4665.

Truly yours,

Susan W. Ginsberg

Director, Regulatory Affairs

Susan W. Genelerg

UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

1777 BOE/FE

WESTCOAST GAS SERVICES DELAWARE (AMERICA) INC. (Successor to Coastal Gas Marketing Company and Engage Energy US, L.P.)))) _)	FE DOCKET NO. 97-36-NG
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ORDER TRANSFERRING LONG-TERM AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1275-A

On May 23, 1997, the Office of Fossil Energy (FE) of the Department of Energy (DOE) granted long-term authorization to Coastal Gas Marketing Company (CGM) in DOE/FE Order No. 1275 ^{1/2} (Order 1275) to import from Canada up to 5 MMcf per day of natural gas for a ten year period beginning on November 1, 1997.

On September 21, 2000, the Office of Fossil Energy was notified by Engage Energy US, L.P.(Engage), (successor to CGM), a Delaware limited partnership owned by CGM, Inc., Westcoast Gas Services Delaware (America) Inc. (WGSI Delaware), and Westcoast Delaware U.S.A., that effective October 1, 2000, it will be transferring some of its partnership interests to WGSI Delaware. Engage is requesting that the import authorization issued in Order 1275 be transferred from CGM to WGSI Delaware.

Accordingly, pursuant to section 3 of the Natural Gas Act, the import authorization granted by DOE/FE Order No. 1275 is transferred from Coastal Gas Marketing Company to Westcoast Gas Services Delaware (America) Inc. All terms and conditions in Order 1275 shall remain in full force and effect.

Issued in Washington, D.C., on September <u>29</u>, 2000.

Manager, Natural Gas Regulation Office of Natural Gas & Petroleum Import & Export Activities

Office of Fossil Energy



November 8, 2000

Via Courier

Office of Fuels Programs
Fossil Energy
U.S. Department of Energy
Forrestal Building, Room 3F-056, FE-50
1000 Independence Avenue, S.W.
Washington, D.C. 20585

Attention:

Mr. John Glynn, Manager, Natural Gas Regulation

Re:

Name Change for the following Long-term Import Authorizations:

DOE/FE Order No. 1128 Docket No. FE 95-104 NG, WGSI Delaware DOE/FE Order No. 1202 Docket No. FE 96-52 NG, WGSI Delaware DOE/FE Order No. 1253 Docket No. FE 97-03 NG, WGSI Delaware DOE/FE Order No. 1275 Docket No. FE 97-36 NG, WGSI Delaware DOE/FE Order No. 1282 Docket No. FE 97-37 NG, WGSI Delaware DOE/FE Order No. 1332 Docket No. FE 97-48 NG, WGSI Delaware

Dear Mr. Glynn:

Pursuant to 10 C.F.R., Part 590.405, Engage Energy America Corp. ("Engage America") successor to Westcoast Gas Services Delaware (America) Inc. ("WGSI Delaware"), respectfully requests that the name of the current holder of the above referenced long-term Import Authorizations be changed to the new entity, Engage Energy America Corp.

Engage America is a Delaware Corporation with its principal place of business in Southfield, Michigan. All communications and correspondence concerning the above referenced authorizations should be addressed to Ms. Josic Verellen, Engage Energy America Corp, c/o Engage Energy Canada, L.P., Suite 1100, 421 – 7th Avenue SW, Calgary, Alberta, Canada, T2P 4K9. Facsimile: (403) 269-5909.

Engage America is submitting a Cheque for US\$350.00 payable to the Treasurer of the United States, which represents the \$50 filing fee per application. If further information or documentation is required in support of this request, please contact me at (403) 297-1479.

Yours truly,

ENGAGE ENERGY AMERICA CORP.

Josie M. Verellen, Engage Energy Canada, L.P.

Regulatory Administrator

Irsie Verell

cc:

Patricia French, Manager, Regulatory Affairs

Enclosure - Cheque \$350.00 US

UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

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ENGAGE ENERGY AMERICA CORP
(Successor to Westcoast Gas Services
Delaware (America) Inc.)

FE DOCKET NO. 97-36-NG

ORDER TRANSFERRING LONG-TERM AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1275-B

On May 23, 1997, the Office of Fossil Energy (FE) of the Department of Energy (DOE) granted long-term authorization to Coastal Gas Marketing Company (CGM) in DOE/FE Order No. 1275 ^{1/} (Order 1275) to import from Canada up to 5 MMcf per day of natural gas for a ten year period beginning on November 1, 1997.

On September 29, 2000, FE transferred the long-term import authorization granted in Order 1275 from CGM to Westcoast Gas Services Delaware (America) Inc. (WGSI).²/

On November 9, 2000, Engage Energy America Corp. (Engage America), a successor to WGSI and a Delaware corporation with its principal place of business in Southfield, Michigan, requested that FE change the name on the import authorization issued in DOE/FE Order No.1275-A to Engage America.

^{1/1}FE¶71,407.

^{2/} DOE/FE Order No.1275-A.

Accordingly, pursuant to section 3 of the Natural Gas Act, the long-term import authorization granted by DOE/FE Order No. 1275, as amended in DOE/FE Order No. 1275-A, is transferred from Westcoast Gas Services Delaware (America) Inc. to Engage Energy America Corp. All terms and conditions of Order 1275, as amended, shall remain in full force and effect. Issued in Washington, D.C., on November 20, 2000.

ohn W. Glynn

Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import & Export Activities

Office of Fossil Energy



March 20, 2001 Via Courier

Office of Fuels Programs Fossil Energy U.S. Department of Energy Forrestal Building, Room 3F-056, FE-50 1000 Independence Avenue, S.W. Washington, D.C. 20585

Attention:

Mr. John Glynn, Manager, Natural Gas Regulation

Re:

Name Change for the following 6 Long-term Import Authorizations & one Blanket:

DOE/FE Order No. 1128 Docket No. FE 95-104 NG, Engage Energy America Corp. DOE/FE Order No. 1202 Docket No. FE 96-52 NG, Engage Energy America Corp. DOE/FE Order No. 1253 Docket No. FE 97-03 NG, Engage Energy America Corp. DOE/FE Order No. 1275 Docket No. FE 97-36 NG, Engage Energy America Corp. DOE/FE Order No. 1282 Docket No. FE 97-37 NG, Engage Energy America Corp. DOE/FE Order No. 1332 Docket No. FE 97-48 NG, Engage Energy America Corp.

Blanket:

DOE/FE Order No. 1622 Docket No. FE 00-58 NG, Engage Energy America Corp.

Dear Mr. Glynn:

Pursuant to 10 C.F.R., Part 590.405, Engage Energy America L.L.C. ("Engage America") successor to Engage Energy America Corp. formerly Westcoast Gas Services Delaware (America) Inc., respectfully requests that the name of the current holder of the above referenced long-term Import Authorizations be changed to the new entity Engage Energy America L.L.C.

Engage America is a Delaware Corporation with its principal place of business in Southfield, Michigan. All communications and correspondence concerning the above referenced authorizations should be addressed to Ms. Josie Verellen, Engage Energy America L.L.C., c/o Engage Energy Canada, L.P., Suite 1100, 421 - 7th Avenue SW, Calgary, Alberta, Canada, T2P 4K9. Facsimile: (403) 269-5909.

Engage America is submitting a Cheque for US\$350.00 payable to the Treasurer of the United States, which represents the \$50 filing fee per application. If further information or documentation is required in support of this request, please contact me at (403) 297-1479.

Yours truly,

ENGAGE ENERGY AMERICA L.L.C.

osie Verella

Josie M. Verellen, Engage Energy Canada, L.P.

Regulatory Administrator

cc: Patricia French, Manager, Regulatory Affairs

Enclosed - Cheque \$350.00 US

TO THE TOTAL TO CONTRACTOR

State of Delaware

Office of the Secretary of State

PAGE

DELAWARE DO HEREBY CERTISE THAT THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTISICATE OF CONVERGION OF A DELAWARE CORPORATION DINDER THE NAME OF ENGAGE ENERGY AMERICA CORP. TO A DELAWARE LIMITED LIABILITY COMPANY, CHANGING ITS MAME PROM "ENGAGE ENERGY AMERICA CORP." TO "ENGAGE ENERGY AMERICA LIC".

FILED IN THIS OFFICE ON THE TWENTY-SEVENTH DAY OF DECEMBER, A.D. 2000, AT 3 O'CLOCK R.M.

AND I DO REREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF CONVERSION IS THE TWENTY-NINTH DAY OF DECEMBER, A.D. 2000.

Edward J. Freel, Secretary of State

2703410 B100V

001652527

AUTHENTICATION: ORGICCT

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DEC-28-00 TAU 06:41 PM

FAX NO. 3027341478

STATE OF DELLEGATE SECRETARY OF STATE DIVISIONS OF CORPORATIONS STEED 09:00 NO 12/27/2000 OCIGENSESS - 2703410

CERTIFICATE OF CONVERSION

ENGAGE ENERGY AMERICA CORP.

INTO A LIMITED LIABILITY COMPANY

UNDER SECTION 18-214 THE LIMITED LIABILITY COMPANY ACT

Engage Paurgy America Corp., a Delaware curporation, hopeby certifics as

follows:

Engage Buergy America Corp. was duly formed and its original certificate of FIRST: incorporation was filed with the Secretary of State of Delaware on January 7.

1997.

NCK PH# 734-1450

SECOND: The same of the entity prior to conversion is: Engage Energy America

The name of the Delaware Limited Liability Company as set forth in its THIRD:

Certificate of Formation is: Engage Energy America LLC.

FOURTH The effective date of the conversion to a Delaware Limited Liability. Company shall be at the close of business on December 29, 2000.

IN WIINESS WHEREOF, this certificate has been subscribed this 14th day of December, 2000, by the undersigned who affirms the statements made herein are true under penalties of perjury.

ENGAGE ENERGY AMERICA CORP.

Name: David C. unruh

Title: Director

From-LEGAL PIPELINE

02-Jen-01 10:58am

THA NU. 3021341410

F. 10

State of Delaware

Office of the Secretary of State

PAGE 2

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF

DELAWARE DO HEREBY CHRILEY THAT THE ATTACHED IS A TRUE AND

CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "ENGAGE EMERGY

AMERICA LLC FILED IN THIS OFFICE ON THE TWENTY-SEVENTH DAY OF

DECEMBER, A. D. 12000. AT 3 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EEFECTIVE DATE OF THE APORESAID CERTIFICATE OF ROBMATION IS THE IMENTY-MINTH DAY OF DECEMBER, A.D. 2000



Edward J. Freel, Secretary of State

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AUTHENTICATION | ORBIGS

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02-lan-01 10:58am

PRX NU. SUZISATATE

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STATE OF DELAMARE SECRETARY OF STATE OF COMPORATIONS FILED 03:00 PM 12/27/2000 001652523 - 2703410

CERTIFICATE OF FORMATION

OF

ENGAGE ENERGY AMERICA LLC

This Cartificate of Formation of Engage Energy America LLC (the "LLC"), dated as of December 27, 2000, is being duly executed and filed by Timothy I. McCourt, an authorized person, to from a limited liability company under the Delaware Limited Liability Company Act (6 Del. C. §18-101, et seq.).

FIRST:

The name of the limited Hability company is Rogage Energy America LLC.

SECOND.

The address of its registered office in the State of Delaware is 1209 Crange Street, Wilmington, Delaware 19801. The name of its Registered Agent at such address is The Comparation Trust Company.

THURD:

The effective date of this Certificate of Formation shall be at the close of business on December 29, 2000.

The same of December 29, 2000.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Formation as of the date first above written.

By: /s/ Timothy J. McCourt
Timothy J. McCourt
Authorized Person

UNITED STATES OF AMERICA DEPARTMENT OF ENERGY OFFICE OF FOSSIL ENERGY

APR 1 9 2001

ENGAGE ENERGY AMERICA L.L.C. (Successor to Engage Energy America Corp.)

FE DOCKET NO. 97-36-NG

ORDER TRANSFERRING LONG-TERM AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1275-C

On May 23, 1997, the Office of Fossil Energy (FE) of the Department of Energy (DOE) granted long-term authorization to Coastal Gas Marketing Company (CGM) in DOE/FE Order No. 1275 ^{1/2} (Order 1275) to import from Canada up to 5 MMcf per day of natural gas for a ten year period beginning on November 1, 1997.

On September 29, 2000, FE transferred the long-term import authorization granted in Order 1275 from CGM to Westcoast Gas Services Delaware (America) Inc. (WGSI).^{2/}

On November 9, 2000, FE transferred the long-term import authorization granted in Order 1275 from WGSI to Engage Energy America Corp.²/

On April 5, 2001, Engage Energy America L.L.C., a successor to Engage Energy America Corp. and a Delaware corporation with its principal place of business in Southfield, Michigan, requested that FE change the name on the import authorization issued in Order

^{1/1}FE¶71,407.

^{2/} DOE/FE Order No.1275-A.

^{3/} DOE/FE Order No.1275-B.

No.1275 to Engage Energy America L.L.C.

Accordingly, pursuant to section 3 of the Natural Gas Act, the long-term import authorization granted by DOE/FE Order No. 1275, as amended in DOE/FE Order No. 1275-A and DOE/FE Order No. 1275-B, is transferred from Engage Energy America Corp. to Engage Energy America L.L.C. All terms and conditions of Order 1275, as amended, shall remain in full force and effect.

Issued in Washington, D.C., on April 19, 2001.

Clifford P. Tomaszewski Manager, Natural Gas Regulation Office of Natural Gas & Petroleum Import & Export Activities

Office of Fossil Energy