

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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USGEN FUEL SERVICES, INC.	)	
(Formerly JMC Fuel Services,	)	FE DOCKET NO. 97-09-NG
Inc.	)	
_____	)	

ORDER GRANTING BLANKET AUTHORIZATION  
TO IMPORT AND EXPORT NATURAL GAS  
FROM AND TO CANADA

DOE/FE ORDER NO. 1241

JANUARY 28, 1997

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

On January 24, 1997, USGen Fuel Services, Inc. (USGen Fuel), formerly JMC Fuel Services, Inc., 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 blanket authorization to import from and to export to Canada up to a combined total of 62 Bcf of natural gas. The term of the authorization would be over a period of two years beginning on the date of first import or export after February 2, 1997.<sup>2/</sup> USGen Fuel is a Delaware corporation with its principal place of business in Boston, Massachusetts. USGen Fuel, a natural gas marketer, would import and export the gas under spot and short-term sales arrangements, either on its own behalf or as an agent for others. The construction of new pipeline facilities would not be involved.

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

The application filed by Selkirk 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 trade agreement requiring national treatment for trade in natural gas is deemed to

1/ 15 U.S.C. 717b. \_\_\_\_\_  
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2/ This is the expiration date of USGen Fuel s existing blanket  
import and export authorization granted by DOE/FE Order No. 895  
issued December 20, 1993 (1 FE 70,906). In DOE/FE Order No.  
895-A, the authorization was amended to substitute USGen Fuel for  
JMC Fuel Services, Inc. (1 FE 71,262, May 23, 1996).

be consistent with the public interest and must be granted without modification or delay. The authorization sought by USGen Fuels 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. USGen Fuel Services, Inc. (USGen Fuel) is authorized to import from and to export to Canada up to a combined total of 62 Bcf of natural gas, over a period of two years, beginning on the date of the initial delivery of either imports or exports, whichever occurs first, after February 2, 1997. This natural gas may be imported and exported at any point on the U.S./Canada border.

B. Within two weeks after deliveries begin, USGen Fuel shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities, 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 of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports and exports authorized by this Order, USGen Fuel shall file with the Office of Natural Gas & Petroleum Import and Export Activities, within 30

days following each calendar quarter, quarterly reports indicating

whether imports or exports of natural gas have been made. If no imports or exports have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports occur, Selkirk 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 and export 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 U.S. transporter(s); (5) the point(s) of entry and exit; and (6) 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 February 3, 1997, until the end of the first calendar quarter, March 31, 1997.

Issued in Washington, D.C., on January 28, 1997.

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Wayne E. Peters  
Manager, Natural Gas Regulation  
Office of Natural Gas & Petroleum  
Import and Export Activities  
Office of Fossil Energy