

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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NORTH AMERICAN ENERGY	)	FE DOCKET NO. 97-04-NG
CONSERVATION, INC.	)	
	)	_____

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

DOE/FE ORDER NO. 1243

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JANUARY 31, 1997

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

On January 14, 1997, as supplemented January 24, 1997, North American Energy Conservation, Inc. (NAEC) filed an application with the Office of Fossil Energy (FE) 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 and export up to a combined total of 50 Bcf of natural gas from and to Canada. The term of the authorization would be for two years beginning on the date of the first import or export delivery. NAEC, a Delaware corporation with its principal place of business in Syracuse, New York, is a marketer of natural gas and electricity. NAEC will import and export gas under short-term and spot market transactions on its own behalf and as an agent for others. The requested authorization does not involve the construction of new pipeline facilities.

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

The application filed by NAEC 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 be consistent with the public interest and must be granted without modification or delay. The authorization

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

sought by NAEC 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 American Energy Conservation, Inc. (NAEC) is authorized to import and export up to a combined total of 50 Bcf of natural gas from and to Canada. The term of this authorization is for a period of two years beginning on the date of the initial import or export, whichever occurs first. The natural gas may be imported and exported at any U.S./Canada border point.

B. Within two weeks after deliveries begin, NAEC 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, NAEC 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. 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, NAEC 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 the date of this Order until the end of the first calendar quarter, March 31, 1997.

Issued in Washington, D.C., on January 31, 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