

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

CANWEST GAS SUPPLY U.S.A., INC. )  
\_\_\_\_\_) FE DOCKET NO. 97-19-NG

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

DOE/FE ORDER NO. 1258

FEBRUARY 21, 1997

## I. DESCRIPTION OF REQUEST

On February 12, 1997, CanWest Gas Supply U.S.A., Inc. (CanWest) 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 and export up to a combined total of 400 Bcf of natural gas from and to Canada. The term of the authorization would be for a period of two years beginning on the date of first delivery after February 28, 1997.<sup>2/</sup> CanWest, a marketer of natural gas, is a Delaware corporation with its principal place of business in Vancouver, B.C., Canada, and is owned by CanWest Gas Supply Inc. CanWest proposes to import and export the gas under spot and short-term sales arrangements, either on its own behalf or as the agent for others. The requested authorization does not involve the construction of new pipeline facilities.

## II. FINDING

The application filed by CanWest has been evaluated to determine if the proposed import/export arrangement meets the public interest requirement of section 3 of the NGA, as

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<sup>1</sup>. 15 U.S.C. § 717b.

<sup>2</sup>. This is the expiration date of CanWest's existing blanket import/export authorization granted by DOE/FE Order No. 1029 dated February 24, 1995, (1 FE ¶ 71,085).

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 sought by CanWest 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

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

A. CanWest Gas Supply U.S.A., Inc. (CanWest) is authorized to import and export up to a combined total of 400 Bcf of natural gas from and to Canada over a two-year term, beginning on the date of first import or export delivery, after February 28, 1997, whichever occurs first. This natural gas may be imported and exported at any U.S./Canada border point.

B. Within two weeks after deliveries begin, CanWest 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 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, CanWest 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, CanWest 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 March 1, 1997, until the end of the first calendar quarter, March 31, 1997.

Issued in Washington, D.C., on February 21, 1997.

Wayne E. Peters  
Manager, Natural Gas Regulation  
Office of Natural Gas &

Petroleum

Import and Export Activities  
Office of Fossil Energy