

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

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UNGEN POWER SERVICES, L.P.) FE DOCKET NO. 97-39-NG
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ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS
FROM AND TO CANADA

DOE/FE ORDER NO. 1274

MAY 22, 1997

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I. DESCRIPTION OF REQUEST _____

On May 9, 1997, USGen Power Services, L.P. (USGen PS) 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 authorization to import and export up to a combined total of 146 Bcf of natural gas from and to Canada over a two-year term beginning on the date of first import or export delivery. USGen PS, a Delaware limited partnership has its principal place of business in Bethesda, Maryland, is a power marketer which buys and sells electricity at wholesale and provides energy-related products. USGen PS will import and export the natural gas under competitive market conditions existing at the time of the arrangement. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by USGen PS has been evaluated to determine if the proposed import and 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

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

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sought by USGen PS 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. USGen Power Services, L.P. (USGen PS) is authorized to import and export up to a combined total of 146 Bcf of natural gas from and to Canada over a two-year term beginning on the date of first import or export delivery. This natural gas may be imported or exported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, USGen PS shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities, Fossil Energy, Room 3F-056, FE-34, 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 has occurred.

C. With respect to the natural gas imports and exports authorized by this Order, USGen PS 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, USGen PS 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 U. S. 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 July 30, 1997, and should cover the period from the date of this Order, until the end of the second calendar quarter, June 30, 1997.

Issued in Washington, D.C., on May 22, 1997.

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

Import and Export Activities
Office of Fossil Energy