

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

AEC MARKETING (USA) INC.)
(Formerly)
Alenco Gas Services Inc.))
)

FE DOCKET NO. 97-51-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1288

JUNE 30, 1997

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I. DESCRIPTION OF REQUEST _____

On June 27, 1997, AEC Marketing (USA) Inc. (AEC Marketing), formerly Alenco Gas 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)^{1/} and DOE Delegation

Order Nos. 0204-111 and 0204-127, requesting blanket authorization to export up to 50 Bcf of natural gas to Canada over a two-year term beginning on the date of the first delivery after June 30, 1997.^{2/} AEC Marketing, a Delaware corporation with its principal place of business in Calgary, Alberta, is an indirect subsidiary of Alberta Energy Company Limited. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING _____

The application filed by AEC Marketing has been evaluated to determine if the proposed 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 exportation of natural gas 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 AEC Marketing to export natural gas to Canada, a nation with which a free trade

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

2/ This is the expiration date of AEC Marketing's predecessor's
existing blanket import/export authorization granted by DOE/FE
Order No. 571 on December 31, 1991, (1 FE 70,525).

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. AEC Marketing (USA) Inc. (AEC Marketing) is authorized to export to Canada, at any point on the U.S./Canada border, up to 50 Bcf of natural gas over a two-year term beginning on the date of first delivery after June 30, 1997.

B. Within two weeks after deliveries begin, AEC Marketing 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 export of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas exports authorized by this Order, AEC Marketing shall file with the Office of Natural Gas & Petroleum Import and Export Activities, within 30 days following each calendar quarter, quarterly reports indicating whether exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no exports have been made, a report of "no activity" for that calendar quarter must be filed. If exports have occurred, AEC Marketing must report monthly the following: (1) total volumes

in Mcf; (2) the average 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); and (7) the point(s) of exit.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than October 30, 1997, and should cover the period from July 1, 1997 until the end of the third calendar quarter September 30, 1997.

Issued in Washington, D.C., on June 30, 1997.

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