

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

POCO PETROLEUM, INC.

FE DOCKET NO. 97-108-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1345

DECEMBER 18, 1997

I. DESCRIPTION OF REQUEST

On December 2, 1997, POCO Petroleum, Inc. (POCO) 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 blanket authorization to import up to 250 billion cubic feet (Bcf) of natural gas from Canada over a two-year term beginning on January 21, 1998.⁽²⁾ POCO, a Delaware corporation, is a wholly-owned subsidiary of POCO Petroleum, Ltd., an Alberta corporation with its head office in Calgary, Alberta. POCO is primarily a marketer of natural gas in the United States. POCO will import the gas under short-term and spot market transactions, 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 POCO has been evaluated to determine if the proposed import 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 of natural gas from 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 POCO to import natural gas from 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. POCO Petroleum, Inc. (POCO) is authorized to import up to 250 Bcf of natural gas from Canada over a two-year term beginning on January 21, 1998, and ending January 20, 2000. This natural gas may be imported at any U.S./Canada border point.

B. With respect to the natural gas imports authorized by this Order, POCO 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 of natural gas have been made. If no imports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports occur, POCO must report total monthly volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import 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; (6) the geographic market(s) served; (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

C. Quarterly reports shall be filed with 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.

D. The first quarterly report required by Ordering Paragraph B of this Order is due not later than April 30, 1998, and should cover the period from January 21, 1998, until the end of the first calendar quarter, March 31, 1998.

Issued in Washington, D.C., on December 18, 1997.

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

1/ 15 U.S.C. § 717b.

2/ POCO's blanket import authorization, granted in DOE/FE Order No. 1133 on December 19, 1995, (1 FE ¶ 71,217) expires January 20, 1997.