

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

EL PASO ENERGY MARKETING COMPANY

FE DOCKET NO. 98-01-NG

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS  
FROM CANADA

DOE/FE ORDER NO. 1350

JANUARY 9, 1998

## I. DESCRIPTION OF REQUEST

On January 2, 1998, El Paso Energy Marketing Company (El Paso Energy) 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 up to 200 Bcf of natural gas from Canada for a period of two years commencing with the date of the first import delivery.<sup>(2)</sup> El Paso Energy is a Kentucky corporation with its principal place of business in Houston, Texas, and is a subsidiary of El Paso Natural Gas Company, a Delaware corporation. El Paso Energy will import the gas under short-term and spot market conditions. The requested authorization does not involve the construction of new pipeline facilities.

## II. FINDING

The application filed by El Paso Energy 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 El Paso Energy 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. El Paso Energy Marketing Company (El Paso Energy) is authorized to import up to 200 Bcf of natural gas from Canada over a period of two years commencing with the date of the first delivery. This natural gas may be imported at any point on the international border between the United States and Canada.

B. Within two weeks after deliveries begin, El Paso Energy shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities of the date that the first import of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports authorized by this Order, El Paso Energy 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. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, El Paso Energy must report total monthly volumes in Mcf and the average purchase price of gas 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 United States transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served (by state); (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.

D. The reporting requirements required by Ordering Paragraphs B and C of this Order 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.

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

Issued in Washington, D.C., on January 9, 1998.

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John W. Glynn

Manager, Natural Gas Regulation

Office of Natural Gas & Petroleum

Import & Export Activities

Office of Fossil Energy

1. 1/ 15 U.S.C. § 717b.

2. 2/ El Paso Energy's blanket import authorization granted by DOE/FE Order Nos. 1138, 1138-A and 1138-B dated respectively, December 27, 1995, (1 FE ¶ 71,223), February 13, 1997, (1 FE ¶ 71,370) and July 25, 1997, (1 FE ¶ 71,431), expired on December 31, 1997.