

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

INTERENERGY CORPORATION AND  
INTERENERGY RESOURCES CORPORATION  
FE DOCKET NO. 98-81-NG

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

DOE/FE ORDER NO. 1427

OCTOBER 29, 1998

## I. DESCRIPTION OF REQUEST

On October 23, 1998, Interenergy Corporation (Interenergy) and Interenergy Resources Corporation (IRC) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act<sup>(1)</sup> (NGA) and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import up to 73 billion cubic feet (Bcf) of natural gas from Canada and to export up to 73 Bcf of natural gas to Canada over a two-year term beginning on the date of first import or export delivery.<sup>(2)</sup> IRC is a wholly-owned subsidiary of Interenergy. Interenergy and IRC, marketers of natural gas, are Colorado corporations with their principal place of business in Lakewood, Colorado. Interenergy and IRC intend to import and export the gas under spot and short-term transactions, either on their 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 Interenergy and IRC has been evaluated to determine if the proposed import/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 sought by Interenergy and IRC 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. Interenergy Corporation and Interenergy Resources Corporation (Interenergy and IRC) are authorized to import up to 73 billion cubic feet (Bcf) of natural gas from Canada and to export up to 73 Bcf of natural gas to Canada over a two-year term beginning on the date of first import or export delivery after October 31, 1998, whichever occurs first. This natural gas may be imported and exported at any United States/Canada border point.
- B. Within two weeks after deliveries begin, Interenergy and IRC shall provide written notification to the Office of Natural Gas & Petroleum Import and Export Activities of the date that the first import or export of natural gas authorized in Ordering Paragraph A above occurred.
- C. With respect to the natural gas imports and exports authorized by this Order, Interenergy and IRC 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. 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, Interenergy and IRC 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 January 30, 1999, and should cover the period from November 1, 1998, until the end of the fourth calendar quarter, December 31, 1998.
- E. The notification and reports 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 3E-042, FE-34, Forrestal Building, 1000

Independence Avenue, S.W., Washington, D.C., 20585.

Issued in Washington, D.C., on October 29, 1998.

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John W. Glynn

Manager, Natural Gas Regulation

Office of Natural Gas & Petroleum

Import and Export Activities

Office of Fossil Energy

1. 1/ 15 U.S.C. § 717b.

2. 2/ October 31, 1998, is the expiration date of Interenergy and IRC's existing blanket import/export authorization granted by DOE/FE Order No. 1210 on October 28, 1996 (1 FE ¶ 71,318).