

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TRANSCO ENERGY)
MARKETING COMPANY)

FE-DOCKET NO. 99-05-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1456

JANUARY 28, 1999

I. DESCRIPTION OF REQUEST

On January 20, 1999, Transco Energy Marketing Company (TEMCO) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act^{1/} (NGA) and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import up to 730 billion cubic feet of natural gas from Canada. TEMCO requests that the authorization be granted for two years beginning on February 7, 1999.^{2/} TEMCO, a marketer of natural gas, is a Delaware corporation. Transco is a wholly-owned subsidiary of Williams Energy Marketing & Trading Company, which in turn is an indirect wholly-owned subsidiary of Williams Holdings of Delaware, Inc., which in turn is a wholly-owned subsidiary of The Williams Companies, Inc. TEMCO intends to import the gas under short-term and spot market arrangements on its own behalf as well as on behalf of others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by TEMCO 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 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 TEMCO to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets

^{1/} 15 U.S.C. § 717b.

^{2/} February 6, 1999, is the expiration date of TEMCO's existing blanket import authorization granted by DOE/FE Order No. 1246 on January 31, 1997 (1 FE ¶ 71,361).

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. Transco Energy Marketing Company (TEMCO) is authorized to import up to 730 billion cubic feet of natural gas from Canada over a two-year term beginning on February 7, 1999, and ending on February 6, 2001. This natural gas may be imported at any United States/Canada border point.

B. With respect to the natural gas imports authorized by this Order, TEMCO shall file with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, within 30 days following each calendar quarter, quarterly reports indicating whether imports of natural gas have been made. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, TEMCO 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 (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.

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than April 30, 1999, and should cover the period from February 7, 1999, until the end of the first calendar quarter, March 31, 1999.

D. The quarterly reports required by Ordering Paragraph B of this Order shall be filed with the Office of Natural Gas & Petroleum Import & 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 January 28, 1999.

John W. Glynn
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Office of Natural Gas & Petroleum
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