

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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TEXACO NATURAL GAS INC. )  
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FE DOCKET NO. 99-41-NG

ORDER GRANTING BLANKET AUTHORIZATION  
TO EXPORT NATURAL GAS TO MEXICO

DOE/FE ORDER NO. 1488

JUNE 11, 1999

## I. DESCRIPTION OF REQUEST

On June 10, 1999, Texaco Natural Gas Inc. (TNGI), 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, requesting blanket authorization to export up to 120 billion cubic feet of natural gas to Mexico over a two-year term. TNGI wishes to renew its existing blanket export authorization which expires on June 11, 1999.<sup>2/</sup> TNGI, a Delaware corporation with its principal place of business in Houston, Texas, is a wholly-owned subsidiary of TEPI Holdings Inc., which is a wholly-owned subsidiary of Texaco Inc. TNGI requests authority to export this gas under spot and short-term sales 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 TNGI 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 TNGI to export

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<sup>1/</sup> 15 U.S.C. § 717b.

<sup>2/</sup> TNGI's existing blanket export authorization was granted by DOE/FE Order No. 1090 and issued on September 28, 1995 (1 FE ¶ 71,167).

natural gas to Mexico, 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. Texaco Natural Gas Inc. (TNGI) is authorized to export to Mexico, at any point on the United States/Mexico border, up to 120 billion cubic feet of natural gas over a two-year term beginning on the date of first delivery after June 11, 1999.

B. Within two weeks after exports begin, TNGI shall provide written notification to the Office of Natural Gas & Petroleum Import & Export Activities 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, TNGI shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether exports of natural gas have been made during that quarter. 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, TNGI 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. [OMB No.: 1901-0294]

D. The first quarterly report required by Ordering Paragraph B of this Order is due not later than July 30, 1999, and should cover the period from the June 12, 1999, until the end of the second calendar quarter June 30, 1999.

E. The notification and reports required by Ordering Paragraphs B & C 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 June 11, 1999.

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John W. Glynn  
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Office of Natural Gas & Petroleum  
Import & Export Activities  
Office of Fossil Energy