

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

\_\_\_\_\_  
HUSKY GAS MARKETING INC. )  
\_\_\_\_\_)

FE DOCKET NO. 99-87-NG

ORDER GRANTING BLANKET AUTHORIZATION  
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1539

NOVEMBER 9, 1999

## I. DESCRIPTION OF REQUEST

On October 25, 1999, Husky Gas Marketing Inc. (Husky) 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 import up to 200 Bcf of natural gas from Canada over a two-year term beginning December 1, 1999.<sup>2/</sup> Husky, a Delaware corporation with its principal place of business in Calgary, Alberta, is a natural gas marketing affiliate of the Canadian natural gas producer Husky Oil Operations Limited. Husky's customers include industrial and commercial end-users, agricultural users, electric utilities, pipelines, and distribution companies. The gas will be imported under short-term and spot market arrangements. The requested authorization does not involve the construction of new pipeline facilities.

## II. FINDING

The application filed by Husky 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 importation 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 Husky 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.

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<sup>1/</sup>. 15 U.S.C. § 717b.

<sup>2/</sup>. Husky's current two-year authorization to import natural gas from Canada granted in DOE/FE Order No. 1336 on November 20, 1997, expires November 30, 1999 (1 FE ¶ 71,491).

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that:

A. Husky Gas Marketing Inc. (Husky) is authorized to import up to 200 Bcf of natural gas from Canada over a two-year term beginning December 1, 1999, and extending through November 30, 2001. This natural gas may be imported at any point on the international border between the United States and Canada.

B. With respect to the natural gas imports authorized by this Order, Husky shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, 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, Husky must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports will 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; (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. [OMB No.: 1901-0294]

C. The reports required in Ordering Paragraphs 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, SW., Washington, D.C. 20585.

D. The first quarterly report required by Ordering Paragraph B of this Order is due not later than January 30, 2000, and should cover the period from December 1, 1999, until the end of the fourth calendar quarter, December 31, 1999.

Issued in Washington, D.C., on November 9, 1999.

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