

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

_____)
THE CONSUMERS' GAS COMPANY LTD.) FE DOCKET NO. 99-106-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION
TO EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1555

DECEMBER 15, 1999

I. DESCRIPTION OF REQUEST

On December 10, 1999, The Consumers' Gas Company Ltd. (Enbridge Consumers Gas),^{1/} filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA)^{2/} and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting blanket authorization to export up to 100 billion cubic feet of natural gas to Canada over a two-year term beginning on the date of first delivery after December 31, 1999.^{3/} Enbridge Consumers Gas, an Ontario corporation with its principal place of business in Willowdale, Ontario, is the single largest natural gas distribution utility in Canada, serving residential, commercial, and industrial customers primarily in the metropolitan Toronto, Ottawa, and Niagra Falls regions of Ontario. The applicant requests authority to export this gas under spot and short-term transactions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Enbridge Consumers Gas 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

^{1/} The applicant indicates its parent company is now Enbridge Inc., and, as a result, it is carrying on business as Enbridge Consumers Gas.

^{2/} 15 U.S.C. § 717b.

^{3/} The Applicant's existing blanket export authorization, granted by DOE/FE Order No. 1346 on December 19, 1997 (1 FE ¶ 71,506), expires December 31, 1999.

Enbridge Consumers Gas to export natural gas 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. The Consumers' Gas Company Ltd. (Enbridge Consumers Gas) is authorized to export up to 100 billion cubic feet of natural gas to Canada over a two-year term beginning on the date of first delivery after December 31, 1999. This gas may be exported at any United States/Canada border point.

B. Within two weeks after exports begin, Enbridge Consumers Gas 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, Enbridge Consumers Gas 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, Enbridge Consumers Gas 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 C of this Order is due not later than April 30, 2000, and should cover the period from the January 1, 2000, until the end of the first calendar quarter March 31, 2000.

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 December 15, 1999.

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