

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

SEMPRA ENERGY TRADING CORP.) FE DOCKET NO. 99-36-NG
_____)

ORDER AMENDING AUTHORIZATION
TO INCLUDE LIQUEFIED NATURAL GAS IMPORTS

DOE/FE ORDER NO. 1487-A

I. DESCRIPTION OF REQUEST

On May 8, 2000, Sempra Energy Trading Corp. (Sempra) filed an application with the Office of Fossil Energy (FE) 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 an amendment to its existing import/export authorization issued in DOE/FE Order No.1487 (Order 1487).^{2/} Order 1487 authorized Sempra to import up to 300 billion cubic feet (Bcf) of natural gas and to export up to 300 Bcf of natural gas from and to Canada, and to import up to 300 Bcf of natural gas and to export up to 300 Bcf of natural gas from and to Mexico over a two year term that will expire June 15, 2001. Sempra requests that Order 1487 be amended to allow the importation of up to an additional 300 Bcf of liquefied natural gas from any international source to existing receiving facilities in the United States. Sempra, a Delaware corporation with its principal place of business

^{1/} 15 U.S.C. § 717b.

^{2/} 1 FE ¶ 70,342.

in Stamford, Connecticut, is engaged in the business of dealing and trading commodities, including, but not limited to, natural gas.

II. FINDING

The application filed by Sempra 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 LNG is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Sempra to import LNG meets the section 3(c) criterion and, therefore, is consistent with the public interest.

ORDER

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

A. DOE/FE Order No. 1487 (Order 1487) is amended to authorize Sempra Energy Trading Corp. (Sempra) to import up to 300 billion cubic feet of liquefied natural gas (LNG) from any international source to existing receiving facilities in the United States through June 15, 2001.

B. Within two weeks after deliveries begin, Sempra shall provide written notification to the Office of Natural Gas & Petroleum Import & Export Activities of the date that the first import of LNG authorized in Ordering Paragraph A above occurred.

C. With respect to the LNG imports authorized by this Order, Sempra shall file with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, within 30 days following each calendar quarter, reports indicating whether imports of LNG 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, Sempra must report by month: (1) the total volumes of imports in Mcf and MMBtu; (2) the country of origin; (3) the name(s) of the seller(s); (4) the point(s) of entry;

(5) the name(s) of the LNG tankers used; (6) the estimated or actual duration of the agreement(s); (7) the geographic market(s) served; (8) the average landed cost per MMBtu at the point of import; and (9) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price, if applicable. The reports will also include the monthly volumes in Mcf taken by each customer of Sempra. [OMB No.: 1901-0294]

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than July 30, 2000, and should cover the period from the date of this Order until the end of the second calendar quarter, June 30, 2000.

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 & Export Activities, Fossil Energy, Room 3E-042, FE-34, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

F. All other terms and conditions of Order 1487 shall remain in full force and effect.

Issued in Washington, D.C., on May 11, 2000.

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