UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

AQUILA CANADA CORP.

FE DOCKET NO. 99-61-NG

ORDER AMENDING BLANKET AUTHORIZATION TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1512-A

On February 14, 2000, Aquila Canada Corp. (Aquila Canada) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),^{1/} and DOE Delegation Order Nos. 0204-111 and 0204-127, to amend its blanket import authorization granted in DOE/FE Order No. 1512 (Order 1512)^{2/} by increasing its volumes. Aquila Canada is currently authorized to import up to 200 billion cubic feet (Bcf) of natural gas from Canada for a period of two years commencing on the date of first delivery.

<u>1</u>/ 15 U.S.C.§ 717b.

^{2/2} FE ¶ 70,375 (September 1, 1999).

Aquila Canada requests to increase authorized import volumes to 500 Bcf over the two-year term. Deliveries authorized by Order 1512 have not yet begun.

Under section 3(c), the import 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 Aquila Canada 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.

<u>ORDER</u>

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

A. DOE/FE Order No. 1512, issued on September 1, 1999, is amended to authorize Aquila Canada Corp. to import up to 500 Bcf of natural gas from Canada over a period of two years commencing on the date of first delivery. This natural gas may be imported at any point on the international border between the United States and Canada.

B. All other terms and conditions contained in Order 1512 shall remain in full force and effect.

Issued in Washington, D.C., on March 06, 2000.

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

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