

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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ALLIANCE PIPELINE L.P. )  
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FE DOCKET NO. 00-08-NG

ORDER GRANTING BLANKET AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1569

FEBRUARY 17, 2000

## I. DESCRIPTION OF REQUEST

On February 14, 2000, Alliance Pipeline L.P. (Alliance) 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 204-127, for authorization to import from Canada up to 8.8 Bcf of natural gas over a two-year term, beginning on the date of first delivery. Alliance is a limited partnership under the laws of the State of Delaware with its principal place of business in Calgary, Alberta, Canada. The limited partnership includes Fort Chicago Energy Partners LP and affiliates of Enbridge Inc., The Coastal Corporation, The Williams Companies, Inc., and Westcoast Energy Inc. Alliance will operate a newly constructed 886.8 mile interstate natural gas pipeline from the Canadian/United States border near Sherwood, North Dakota, with interconnections in the Chicago area. Alliance will import the gas under spot and short-term purchase arrangements for the purposes of testing its pipeline and to be used as line pack in commercial operation.

## II. FINDING

The application filed by Alliance 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 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 Alliance to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c)

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<sup>1/</sup> 15 U.S.C. § 717b.

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. Alliance Pipeline L.P. (Alliance) is authorized to import from Canada up to 8.8 Bcf of natural gas over a two-year term, beginning on the date of first delivery.

B. This natural gas may be imported at any point on the border of the United States and Canada.

C. Within two weeks after deliveries begin, Alliance shall provide written notification to the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, of the date that the first import delivery of natural gas authorized in Ordering Paragraph A has occurred.

D. With respect to the natural gas imports authorized by this Order, Alliance 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. 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, Alliance must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports shall also provide the details of each transaction, including: (1) the name of the sellers(s); (2) the estimated or actual duration of the agreement(s); (3) the name of the U.S. transporter(s); (4) the point(s) of entry; (5) whether sales are being made on an interruptible or firm basis; and, if applicable (6) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price.

[OMB NO. : 1901-0294]

E. The first quarterly report required by Ordering Paragraph D of this Order is due not later than April 30, 2000, and should cover the period from the date of this Order, until the end of the first calendar quarter, March 31, 2000.

F. The notification and quarterly reports required by Ordering Paragraphs C and D 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 February 17, 2000.

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