

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

QUESTAR ENERGY TRADING COMPANY)

FE DOCKET NO. 00-11-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT AND EXPORT NATURAL GAS
FROM AND TO CANADA

DOE/FE ORDER NO. 1571

FEBRUARY 25, 2000

I. DESCRIPTION OF REQUEST

On February 25, 2000, Questar Energy Trading Company (Questar) 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, for blanket authorization to import up to 50 Bcf of natural gas from Canada and to export up to 50 Bcf of natural gas to Canada. The term of the authorization would be for two years beginning on February 28, 2000.^{2/} Questar, a Utah corporation with its principal place of business in Salt Lake City, is a marketer of natural gas in the Mid-Continent and Rocky Mountain regions of the United States. It is a wholly-owned subsidiary of Questar Corporation, a Utah corporation, and is an affiliate of Questar Pipeline Company. Questar will import and export the natural gas under spot and short-term transactions that will reflect current market conditions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Questar has been evaluated to determine if the proposed import/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 import or export of natural gas from or 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 Questar to import and export natural gas from and to Canada, a nation with which a

^{1/} 15 U.S.C. § 717b.

^{2/} This is the expiration date of Questar's current two-year authorization to import and export natural gas from and to Canada granted in DOE/FE Order No. 1358 on February 3, 1998 (1 FE ¶ 71,524).

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. Questar Energy Trading Company (Questar) is authorized to import up to 50 Bcf of natural gas from Canada and to export up to 50 Bcf of natural gas to Canada over a two-year term beginning on February 28, 2000, and extending through February 27, 2002. This natural gas may be imported and exported at any point on the border of the United States and Canada.

B. With respect to the natural gas imports and exports authorized by this Order, Questar shall file, within 30 days following each calendar quarter, reports indicating whether imports or exports of natural gas have been made. These reports must be filed whether or not initial deliveries have begun. If no imports or exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, Questar must report the following information: (1) total monthly volumes in Mcf; (2) the average monthly 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); (7) the point(s) of entry and exit; and (8) the geographic market(s) served (for imports, by State). For import transactions only, the report shall include this additional information: (1) whether sales are being made on an interruptible or firm basis; and, if applicable, (2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB No.: 1901-0294]

C. The reports described in Ordering Paragraph 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 April 30, 2000, and should cover the period from February 28, 2000, until the end of the first calendar quarter, March 31, 2000.

Issued in Washington, D.C., on February 25, 2000.

Donald A. Juckett
Director
Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy