

**UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY**

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**UNION GAS LIMITED**  
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**FE DOCKET NO. 00-44-NG**

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

**DOE/FE ORDER NO. 1612**

**JULY 17, 2000**

## I. DESCRIPTION OF REQUEST

On June 29, 2000, Union Gas Limited (Union) 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 0204-127, for blanket authorization to import and export up to a combined total of 216 billion cubic feet of natural gas from and to Canada over a two-year term beginning on August 15, 2000, and extending through August 14, 2002.<sup>2/</sup> Union is a Canadian corporation with its principal place of business in Chatham, Ontario, Canada. Union is a local gas distribution company, engaged in the transmission, storage, and distribution of gas. Union will import and export the natural gas under spot and short-term purchase arrangements on its own behalf and on the behalf of others. Union requests authorization to import and to export at or from any existing and planned pipeline interconnection point on the U.S./Canadian border.<sup>3/</sup>

## II. FINDING

The application filed by Union has been evaluated to determine if the proposed import and 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 Union to import and export natural gas from and 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.

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<sup>1/</sup> 15 U.S.C. § 717b.

<sup>2/</sup> Union Gas Limited's blanket authorization to import and export natural gas from and to Canada will expire on August 14, 2000. See DOE/FE Order No. 1404 issued August 12, 1998 (2 FE ¶ 70,212).

<sup>3/</sup> Union may utilize the transportation services of Vector Pipeline L.P., which is currently under construction. Vector Pipeline, L.P. would run between the Chicago, Illinois area to an interconnection with a Canadian affiliate at the international border at the St. Clair River in Michigan. Vector Pipeline, L.P. is scheduled to commence service in the Fall of 2000.

ORDER

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

A. Union Gas Limited (Union) is authorized to import and export up to a combined total of 216 billion cubic feet of natural gas from and to Canada over a two-year term beginning on August 15, 2000, and extending through August 14, 2002. This natural gas may be imported or exported at any point on the international border of the United States and Canada.

B. With respect to the natural gas imports and exports authorized by this Order, Union shall file with Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports or exports of natural gas have been made. Quarterly 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, Union must report the following: (1) total monthly 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 United States transporter(s); (7) the point(s) of entry or exit; (8) the geographic market(s) served (for imports, by State). For import transactions only, the report shall also include: (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]

D. The first quarterly report required by Ordering Paragraph B of this Order is due not later than October 30, 2000, and should cover the period from August 15, 2000, until the end of the third calendar quarter, September 30, 2000.

C. Quarterly reports shall be filed with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, Room 3E-042, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

Issued in Washington, D.C., on July 17, 2000.

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