

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

_____)
INTALCO ALUMINUM CORPORATION) FE DOCKET NO. 00-52-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1614

JULY 25, 2000

I. DESCRIPTION OF REQUEST

On July 20, 2000, Intalco Aluminum Corporation (Intalco) 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 204-127, for authorization to import from Canada up to 2.3 Bcf of natural gas over a two-year term, beginning on September 29, 2000.^{2/} Intalco, a Delaware corporation with its principal place of business in Pittsburgh, Pennsylvania, is a wholly-owned subsidiary of Alumax Inc. Alumax Inc., a Delaware Corporation, is a wholly-owned subsidiary of Alcoa Inc., formerly known as Aluminum Company of America. Intalco will import the gas under short-term arrangements to be used as fuel for its aluminum smelting plant in Ferndale, Washington. The imported gas will be transported from the border at the interconnection of Westcoast Energy Inc. on the Ferndale Pipeline System to the smelting plant. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING

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

^{1/} 15 U.S.C. § 717b.

^{2/} Intalco currently has blanket import authority granted by DOE/FE Order No. 1417 issued on September 29, 1998, (2 FE ¶ 70,233) which expires September 28, 2000.

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. Intalco Aluminum Corporation (Intalco) is authorized to import from Canada up to 2.3 Bcf of natural gas over a two-year term, beginning on September 29, 2000, and extending through September 28, 2002.

B. This natural gas will be imported at the international border near Sumas, Washington.

C. With respect to the natural gas imports authorized by this Order, Intalco 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, Intalco 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]

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than October 30, 2000, and should cover the period from September 29, 2000, until the end of the third calendar quarter, September 30, 2000.

E. The quarterly reports required by Ordering Paragraph 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.

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

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