

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

WESTCOAST GAS SERVICES)
DELAWARE (AMERICA) INC.)

FE DOCKET NO. 00-58-NG

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

DOE/FE ORDER NO. 1622

AUGUST 28, 2000

I. DESCRIPTION OF REQUEST

On August 3, 2000, Westcoast Gas Services Delaware (America) Inc. (Westcoast America) 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 1,000 billion cubic feet (Bcf) and export up to 1000 Bcf of natural gas, including liquefied natural gas, from and to Canada over a two-year term beginning on October 1, 2000, and extending through September 30, 2002.

Westcoast America is a Delaware corporation with its principal place of business located in Southfield, Michigan. Westcoast America serves markets throughout the United States and also Canada. It is a wholly-owned subsidiary of Engage Energy U.S., L.P., which is wholly-owned by Westcoast Energy Inc. Westcoast America will import and export the gas under short-term and spot market purchase arrangements, either on its own behalf or as the agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Westcoast America 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 and export of natural gas from and 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 Westcoast America 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.

^{1/} 15 U.S.C. § 717b.

ORDER

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

A. Westcoast Gas Services Delaware (America) Inc. (Westcoast America) is authorized to import up to 1,000 billion cubic feet (Bcf) of natural gas and export up to 1,000 Bcf of natural gas, including liquefied natural gas, from and to Canada over a two-year term beginning on October 1, 2000, and extending through September 30, 2002. This natural gas may be imported and 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, Westcoast America shall file within 30 days following each calendar quarter, reports indicating whether imports or exports of natural gas have been made. 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, Westcoast America must report the following: (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 United States 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: (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.

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than January 30, 2001, and should cover the period from October 1, 2000, through the end of the fourth calendar quarter, December 31, 2000.

D. The reports required by 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, S.W., Washington, D.C., 20585.

Issued in Washington, D.C., on August 28, 2000.

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