

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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NUMAC ENERGY (U.S.) INC.) FE DOCKET NO. 00-73-NG
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**ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA**

DOE/FE ORDER NO. 1630

OCTOBER 16, 2000

I. DESCRIPTION OF REQUEST

On October 16, 2000, Numac Energy (U.S.) Inc. (Numac) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act^{1/} (NGA) and DOE Delegation Order Nos. 0204-111 and 0204-127, requesting authority to import up to 50 billion cubic feet of natural gas from Canada over a two-year term beginning October 15, 2000.^{2/} Numac, a Delaware corporation, is a wholly-owned subsidiary of Numac Energy Inc. The volumes will be imported by Numac under short-term or spot sales arrangements and will be responsive to current market conditions. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Numac 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 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 Numac to import natural gas from 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.

^{2/} October 14, 2000, was the expiration date of Numac's previous import authorization granted by DOE/FE Order No. 1433 on November 6, 1998 (2 FE ¶ 70,259).

ORDER

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

A. Numac Energy (U.S.) Inc. (Numac) is authorized to import up to 50 billion cubic feet of natural gas from Canada over a two-year term beginning on October 15, 2000, and extending through October 14, 2002. This natural gas may be imported at any United States/Canada border point.

B. With respect to the natural gas imports authorized by this Order, Numac shall file with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, within 30 days following each calendar quarter, reports indicating whether imports of natural gas have been made. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Numac must report total monthly volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the U.S. transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served (by State); (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB No.: 1901-0294]

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 15, 2000, until the end of the fourth calendar quarter, December 31, 2000.

D. The quarterly report 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 October 16, 2000.

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