

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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COAST ENERGY GROUP, A DIVISION)	FE DOCKET NO. 00-99-NG
OF CORNERSTONE PROPANE L.P.)	
_____)	

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

DOE/FE ORDER NO. 1660

DECEMBER 21, 2000

I. DESCRIPTION OF REQUEST

On December 19, 2000, Coast Energy Group, a division of Cornerstone Propane L.P. (Coast), 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 and export up to a combined total of 40 billion cubic feet (Bcf) of natural gas from and to Canada and Mexico beginning on January 1, 2001.^{2/} Coast is a Delaware limited partnership with its principal place of business in Calgary, Alberta, Canada. Coast will import and export the natural gas on its own behalf and on behalf of others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Coast 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 nations with which there are 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 Coast to import and export natural gas from and to Canada and Mexico, nations with which free trade agreements are in effect, meet the section 3(c) criterion and, therefore, is consistent with the

^{1/} 15 U.S.C. § 717b.

^{2/} Coast's current blanket authorization to import/export natural gas granted by DOE/FE Order No. 1459 dated February 2, 1999, (FE Docket No. 99-07-NG) expires on December 31, 2000.

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. Coast Energy Group, a division of Cornerstone Propane L.P. (Coast), is authorized to import and export up to a combined total of 40 Bcf of natural gas from and to Canada and Mexico, beginning on January 1, 2001, and extending through December 31, 2002.

B. This natural gas may be imported and exported at any point on the border between the United States and Canada and the border between the United States and Mexico.

C. With respect to the natural gas imports and exports authorized by this Order, Coast shall file with the 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, Coast 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 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 also include: (1) whether sales are being made on an interruptible or firm basis; and (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 C of this Order is due not later than April 30, 2001, and should cover the period from January 1, 2001, until the end of the first calendar quarter, March 31, 2001.

E. The quarterly report 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 December 21, 2000.

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