

I. DESCRIPTION OF REQUEST

On June 21, 2001, as supplemented June 28, 2001, Williams Energy Marketing & Trading Company (WEM&T) 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 160 billion cubic feet (Bcf) of liquefied natural gas (LNG), from Nigeria, Algeria, Abu Dhabi, Qatar, and Trinidad. The authorization would be for a two-term beginning on the date that WEM&T's first shipment arrives by tanker. WEM&T is a Delaware company with its principal place of business in Tulsa, Oklahoma. WEM&T is a wholly-owned subsidiary of Williams Merchant Services Company, Inc., which in turn is a wholly-owned subsidiary of The Williams Companies, Inc. WEM&T plans to import the LNG under competitively priced arrangements on its own behalf or on behalf of others. The proposed authorization does not involve the construction of new pipeline or LNG facilities.

II. FINDING

The application filed by WEM&T has been evaluated to determine if the proposed import of LNG 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 LNG is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by WEM&T to import LNG from Nigeria, Algeria, Abu Dhabi, Qatar, and Trinidad, 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. Williams Energy Marketing & Trading Company (WEM&T) is authorized to import up to 160 Bcf of liquefied natural gas (LNG) from Nigeria, Algeria, Abu Dhabi, Qatar, and Trinidad, beginning on the date of first delivery.

B. This LNG may be imported at any existing receiving facility along the Gulf of Mexico coastline.

C. Within two weeks after deliveries begin, WEM&T shall provide written notification to the Office of Natural Gas & Petroleum Import & Export Activities of the date that the first import of LNG authorized in Order Paragraph A above occurred.

D. With respect to the LNG imports authorized by this Order, WEM&T shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports of LNG have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If LNG imports have not been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, WEM&T must report the following: (1) the country of origin; (2) total monthly volumes in Mcf and MMBtu; (3) the name of the seller(s); (4) the point(s) of entry; (5) the name(s) of the LNG tanker used; (6) the estimated or actual duration of the agreement(s); (7) the geographic market(s) served; (8) the average landed cost per MMBtu at the point of import; and (9) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. The reports shall also include the monthly volumes in Mcf taken by each of WEM&T's customers. [OMB NO.: 1901-0294]

E. The notification and reports required by Ordering Paragraphs C and D 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.

F. The first quarterly report required by Ordering Paragraph D of this Order is due not later than October 30, 2001, and should cover the period from the date of this Order until the end of the third calendar quarter, September 30, 2001.

Issued in Washington, D.C., on July 2, 2001.

Clifford P. Tomaszewski
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Office of Natural Gas & Petroleum
Import & Export Activities
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