

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

THE CONSUMERS' GAS COMPANY LTD.

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FE DOCKET NOS. 01-86-NG
99-106-NG
00-71-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS FROM AND TO
CANADA, AND VACATING PRIOR AUTHORIZATION

DOE/FE ORDER NO. 1750

DECEMBER 17, 2001

I. DESCRIPTION OF REQUEST

On December 6, 2001, Consumers' Gas Company Ltd. (Enbridge Consumers Gas) 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 200 billion cubic feet of natural gas from and to Canada over a two-year term commencing January 1, 2002, and extending through December 31, 2003.^{2/} Enbridge Consumers Gas is an Ontario corporation with its principal place of business located in North York, Ontario. Enbridge Consumers Gas is a subsidiary wholly owned by Enbridge Inc., which provides energy transportation, distribution and other services in North America and internationally. Enbridge Consumers Gas will import and export the natural gas under spot and short-term purchase arrangements on its own behalf and on the behalf of others. The requested authorization does not involve the construction of new pipeline facilities. Enbridge Consumers Gas also requests DOE to vacate DOE/FE Order No. 1637 since the proposed authorization would replace the current import authorization.^{3/}

II. FINDING

The application filed by Enbridge Consumers Gas 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

^{1/} 15 U.S.C. § 717b.

^{2/} December 31, 2001 is the expiration date of Enbridge Consumers Gas' current export authorization granted by DOE/FE Order No. 1555 on December 15, 1999 (2 FE ¶ 70,438).

^{3/} October 26, 2002 is the expiration date of Enbridge Consumers Gas' current import authorization granted by DOE/FE Order No. 1637 on October 27, 2000 (2 FE ¶70,555).

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 Enbridge Consumers Gas 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.

ORDER

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

A. Consumers' Gas Company Ltd. (Enbridge Consumers Gas) is authorized to import and export up to a combined total of 200 billion cubic feet of natural gas from and to Canada over a two-year term beginning on January 1, 2002, and extending through December 31, 2003. This natural gas may be imported or exported at any point on the international border between the United States and Canada.

B. With respect to the natural gas imports and exports authorized by this Order, Enbridge Consumers Gas shall file with 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, Enbridge Consumers Gas must report the following: (1) total monthly volumes in Mcf; (2) the average 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 or exit; (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, if applicable, (2) 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 April 30, 2002, and should cover the period from January 1, 2002, until the end of the first calendar quarter, March 31, 2002.

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, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C., 20585.

Issued in Washington, D.C., on December 17, 2001.

Yvonne Caudillo
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Import & Export Activities
Office of Fossil Energy