

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

BC GAS UTILITY LTD.

)
)
)
FE DOCKET NO. 96-07-NG

ORDER AMENDING AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1149-B

I. DESCRIPTION OF REQUEST

On September 4, 2002, BC Gas Utility Ltd. (BC Gas) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),^{1/} to amend its long-term import authorization granted in DOE/FE Order No. 1149 (Order 1149), as amended by DOE/FE No. 1149-A (Order 1149-A).^{2/} BC Gas currently is authorized to import for re-export up to 6 Bcf of natural gas per year until April 30, 2002, for storage at the Jackson Prairie Storage Field at Chehalis, Washington, and export the equivalent back to

^{1/} 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redelegation Order No. 00-002.4 (January 8, 2002).

^{2/} Order 1149, issued March 12, 1996, (1 FE ¶ 71,240), granted BC Gas authority to import for re-export up to 5 Bcf of natural gas per year until April 30, 2000. Order 1149-A, issued April 19, 2000, (2 FE ¶ 71,477), amended Order 1149 by extending the term of the authority to April 30, 2002, and increasing the volumes of natural gas to 6 Bcf per year.

Canada. BC Gas requests to amend its authority to increase the volumes of natural gas imported to be re-exported to 8 Bcf per year and to extend its term of authority to

April 30, 2004. BC Gas is a local distribution company located in Surrey, British Columbia, Canada, which provides natural gas service to 843,000 customers, most of which are residential. The proposed extension of Order 1149, as amended by Order 1149-A, is designed to continue to facilitate agreements BC Gas has related to delivery, storage and re-delivery of natural gas to and from the Jackson Prairie Storage facility.

II. FINDING

The application filed by BC Gas has been evaluated to determine if the proposed import and export arrangements meet 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 proposal by BC Gas to amend its long-term authorization to import and export of 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.

ORDER

Pursuant to section 3 of the Natural Gas Act, it is ordered that DOE/FE Order No. 1149 (Order 1149), as amended, is again amended to increase the volumes of natural gas BC Gas Utility

Ltd. is authorized to import for re-export, from and to Canada, to up to 8 Bcf per year through April 30, 2004.

All terms and conditions in Order 1149, as amended, remain in full force and effect.

Issued in Washington, D.C., on September 12, 2002.

Clifford Tomaszewski
Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy