

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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MICHIGAN CONSOLIDATED GAS COMPANY ) FE DOCKET NO. 02-23-NG  
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ORDER GRANTING BLANKET AUTHORIZATION TO  
EXPORT NATURAL GAS TO CANADA

DOE/FE ORDER NO. 1772

MAY 1, 2002

## I. DESCRIPTION OF REQUEST

On April 18, 2002, Michigan Consolidated Gas Company (MichCon), 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),<sup>1/</sup> and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to export up to 30 billion cubic feet of natural gas to Canada over a period of two years beginning on May 1, 2002, and extending through April 30, 2004. MichCon, a subsidiary of DTE Energy Company, is a Michigan company with its principal place of business in Detroit, Michigan. MichCon will export the natural gas under short-term or spot market natural gas transactions occurring on its interstate pipeline capacity held in the United States and Canada. The requested authorization does not involve the construction of new pipeline facilities.

## II. FINDING

The application filed by MichCon has been evaluated to determine if the proposed 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 export of natural gas from 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 MichCon to export natural gas 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. Michigan Consolidated Gas Company is authorized to export up to 30 billion cubic feet of natural gas to Canada over a period of two years beginning on May 1, 2002, and extending through April 30, 2004. This natural gas may be exported at any point on the international border between the United States and Canada.

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<sup>1/</sup> 15 U.S.C. § 717b.

B. With respect to the natural gas exports authorized by this Order, MichCon shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If exports have occurred, MichCon 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 United States transporter(s); and (7) the point(s) of exit.[OMB No.: 1901-0294]

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than July 30, 2002, and should cover the period from May 1, 2002, through the end of the second calendar quarter, June 30, 2002.

D. The quarterly 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, FE-34, Forrestal Building, 1000 Independence Avenue, S. W., Washington, D.C., 20585.

Issued in Washington, D.C., on May 1, 2002.

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Office of Natural Gas & Petroleum  
Import & Export Activities  
Office of Fossil Energy