

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

REGENT RESOURCES LTD.)
_____)

FE DOCKET NO. 02-56-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1804

AUGUST 30, 2002

I. DESCRIPTION OF REQUEST

On August 22, 2002, as supplemented on August 27, 2002, Regent Resources Ltd. (Regent) 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/} for authorization to import up to 15 Bcf of natural gas from Canada, beginning on October 1, 2002, and extending through September 30, 2004. Regent is incorporated under the laws of the Province of Alberta, with its principal place of business in Calgary, Alberta, Canada. Regent is an owner in a pipeline and gathering system for the transportation of gas in the Province of Alberta. Regent will import the raw gas to a processing plant in Cutbank, Montana, to be sold to any buyer at the plant outlet. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Regent has been evaluated to determine if the proposed import 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 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 Regent to import natural gas from Canada, a nation with which a free trade agreement is in effect, meets the section 3(c) criterion and, therefore, is consistent with the

^{1/} 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redelegation Order No. 00-002.04 (January 8, 2002).

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. Regent Resources Ltd. (Regent) is authorized to import up to 15 Bcf of natural gas from Canada. The term of the authority will begin on October 1, 2002, and extend through September 30, 2004.

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

C. With respect to the natural gas imports authorized by this Order, Regent shall file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, Regent 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 names 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; (8) the geographic market(s) served (by State); (9) whether sales are being made on an interruptible or firm basis; and if applicable, (10) the per unit (MMBtu) demand/commodity/reservation charge breakdowns of the contract price. [OMB

No.: 1901-0294]

D. The reporting requirements described in 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.

E. The first quarterly report required by Ordering Paragraph C of this Order is due not later than January 30, 2003, and should cover the period from October 1, 2002, until the end of the third calendar quarter, December 30, 2002.

Issued in Washington, D.C., on August 30, 2002.

Yvonne Caudillo
Acting Manager, Natural Gas Regulation
Office of Natural Gas & Petroleum
Import & Export Activities
Office of Fossil Energy