

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

DOMINION EXPLORATION CANADA LTD.)
_____)

FE DOCKET NO. 02-64-NG

ORDER GRANTING BLANKET AUTHORIZATION
TO IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1811

SEPTEMBER 23, 2002

I. DESCRIPTION OF REQUEST

On September 19, 2002, Dominion Exploration Canada Ltd. (DECL) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act^{1/} (NGA), requesting authority to import up to 25 Bcf of natural gas from Canada, over a two-year term beginning on October 1, 2002, and extending through September 30, 2004.^{2/} DECL, a corporation organized under the laws of the province of Alberta, is a wholly-owned subsidiary of Dominion Energy Canada Limited, who is a wholly-owned subsidiary of Dominion Resources Inc. DECL is engaged in the business of producing natural gas in Alberta and British Columbia. DECL will import the volumes under short-term and spot arrangements on its own behalf as well as on the behalf of others. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by DECL 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 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 DECL to import natural gas from Canada, a nation

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

^{2/} September 30, 2002, is the expiration date of DECL's current blanket import authorization granted by DOE/FE Order Nos. 1626 and 1626-A on September 29, 2000, and February 8, 2002, respectively (2 FE ¶ 70,538 and ¶ 70,717). Order 1626 was originally issued to Domcan Boundary Corp. Order 1626-A transferred that authority to Dominion Exploration Canada Ltd as the current managing partner.

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. Dominion Exploration Canada Ltd. (DECL) is authorized to import up to 25 Bcf of natural gas from Canada, over a two-year term beginning on October 1, 2002, and extending through September 30, 2004.

B. This natural gas may be imported at any United States and Canadian border point.

C. With respect to the natural gas imports authorized by this Order, DECL shall file with the Office of Natural Gas & Petroleum Import & Export Activities, Fossil Energy, within 30 days following each calendar quarter, reports indicating whether imports of natural gas have been made. If no imports have been made, a report of "no activity" for that calendar quarter must be filed. If imports have occurred, DECL must report total monthly volumes in Mcf and the average purchase price per MMBtu at the international border. The reports shall also provide the details of each import transaction, including: (1) the name of the seller(s); (2) the name of the purchaser(s); (3) the estimated or actual duration of the agreement(s); (4) the name of the U.S. transporter(s); (5) the point(s) of entry; (6) the geographic market(s) served (by State); (7) whether sales are being made on an interruptible or firm basis; and, if applicable, (8) the per unit (MMBtu) demand/commodity/reservation charge breakdowns of the contract price. [OMB No.: 1901-0294]

D. 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 fourth calendar quarter, December 31, 2002.

E. The quarterly report required by 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.

Issued in Washington, D.C., on September 23, 2002.

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