

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

_____)
TRANSCO ENERGY MARKETING COMPANY) FE DOCKET NO. 03-27-NG
_____)

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 1873

JULY 3, 2003

I. DESCRIPTION OF REQUEST

On June 30, 2003, Transco Energy Marketing Company (TEMCO) 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/} for blanket authorization to import up to 730 billion cubic feet of natural gas from Canada, over a two-year term beginning on February 7, 2003.^{2/} TEMCO, a marketer of natural gas, is a Delaware corporation. TEMCO intends to import the gas under short-term and spot market arrangements on its own behalf as well as on behalf of others. The proposed authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by TEMCO 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 TEMCO 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 public interest. This blanket order authorizes transactions under contracts with terms of no longer than two years.

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

^{2/} TEMCO's blanket authorization to import natural gas was granted by DOE/FE Order No. 1665 dated January 22, 2001, (2 FE ¶ 70,291).

ORDER

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

A. Transco Energy Marketing Company (TEMCO) is authorized to import up to 730 billion cubic feet of natural gas from Canada, over a two-year term beginning on February 7, 2003, and extending through February 6, 2005.

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

C. With respect to the natural gas imports authorized by this Order, TEMCO 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, the report must give details of each transaction, including: (1) the total monthly volumes in million cubic feet (Mcf); (2) the average purchase price of gas per million British thermal units (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; (8) the geographic market(s) served; and, if applicable, (9) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB No.: 1901-0294]

D. The first quarterly report required by this Order should cover the period from February 7, 2003, until the end of the first calendar quarter, March 31, 2003.

E. The quarterly reports 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 July 3, 2003.

Clifford P. Tomaszewski
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