

UNITED STATES OF AMERICA
.DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

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OFFICE OF FOSSIL ENERGY
U.S. DEPARTMENT OF ENERGY

ENERGY TRUST MARKETING LTD.

FE DOCKET NO. 03-58-NG

ORDER GRANTING BLANKET AUTHORIZATION TO
IMPORT AND EXPORT NATURAL GAS
FROM AND TO CANADA

DOE/FE ORDER NO. 1904

OCTOBER 9, 2003

I. DESCRIPTION OF REQUEST

On October 3, 2003, Energy Trust Marketing Ltd. (ETML) 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 authorization to import and export up to a combined total of 3 billion cubic feet (Bcf) of natural gas from and to Canada over a two-year term beginning on October 1, 2003, and extending through September 30, 2005. ETML is a Delaware corporation with its principle place of business in Calgary, Alberta. ETML is jointly owned by five energy trust producers and executive management and is engaged in the business of acting as agent for its producer-owners as well as for third party producers. ETML will import and export the natural gas on its own behalf or as an agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by ETML has been evaluated to determine if the proposed import and 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 import or export 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 ETML to import and export 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

^{1/} 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for Fossil Energy pursuant to Redelgation Order No. 00-0023.04 (January 8, 2002).

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:

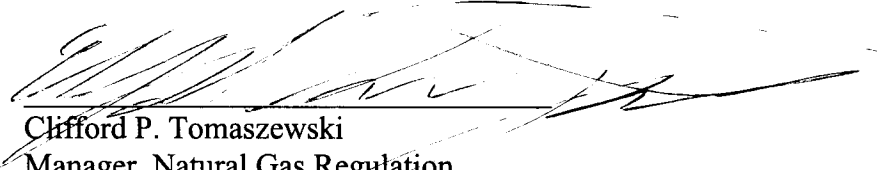
A. Energy Trust Marketing Ltd. (ETML) is authorized to import and export up to a combined total of 3 billion cubic feet (Bcf) of natural gas from and to Canada over a two-year term beginning on October 1, 2003, and extending through September 30, 2005. This natural gas may be imported or exported at any point on the international border of the United States and Canada.

B. With respect to the natural gas imports and exports authorized by this Order, ETML shall file with Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If no imports or exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports have occurred, ETML must report the following: (1) total monthly volumes in Mcf; (2) the average 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); (7) the point(s) of entry or exit; (8) the geographic market(s) served (for imports, by State). For import transactions only, the report shall also include: (1) whether sales are being made on an interruptible or firm basis; and, if applicable, (2) the per unit (MMBtu) demand/commodity/reservation charge breakdown of the contract price. [OMB NO.: 1901-0294]

C. The first quarterly report required by Ordering Paragraph B of this Order is due not later than January 30, 2004, and should cover the period from October 1, 2003, until the end of the fourth calendar quarter, December 31, 2003.

D. 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 October 9, 2003.



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