

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

VERMONT GAS SYSTEMS, INC.)
_____) FE DOCKET NO. 03-71-NG

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

DOE/FE ORDER NO. 1919

NOVEMBER 17, 2003

I. DESCRIPTION OF REQUEST

On October 28, 2003, Vermont Gas Systems, Inc. (Vermont Gas) 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 20 billion cubic feet (Bcf) of natural gas from Canada, and to export up to 20 Bcf of natural gas to Canada. Vermont Gas requests the authorization be granted for a two-year term beginning on December 23, 2003.²

Vermont Gas is a Vermont corporation with its principal place of business in South Burlington, Vermont.

II. FINDING

The application 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 and export of natural gas from and 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 Vermont Gas 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 interest. This 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/ Vermont Gas' current blanket authorization to import natural gas granted by DOE/FE Order No. 1732 on October 30, 2001, expires December 22, 2003 (2 FE ¶ 70,685).

ORDER

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

A. Vermont Gas Systems, Inc. (Vermont Gas) is authorized to import up to 20 billion cubic feet (Bcf) of natural gas from Canada and to export up to 20 Bcf of natural gas to Canada. The term of the authority will begin on December 23, 2003, and extend through December 22, 2005.

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

C. With respect to the natural gas imports/exports authorized by this Order, Vermont Gas 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/exports of natural gas have been made, a report of "no activity" for that calendar quarter must be filed. If imports/exports have occurred, the report must give the details of each transaction, including: (1) the total monthly volumes in thousand 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 and exit; (8) the geographic market(s) served (for imports, by State); (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 is due not later than January 30, 2004, and should cover the period from December 23, 2003, until the end of the fourth calendar quarter, December 31, 2003.

E. The quarterly reports shall be filed with the U.S. Department of Energy, Office of Natural Gas & Petroleum Import & Export Activities, FE-34, P.O. Box 44375, Washington, D.C. 20026-4375.

Issued in Washington, D.C., on November 17, 2003.

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