

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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PEOPLES ENERGY WHOLESALE MARKETING, LLC

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) FE DOCKET NO. 03-80-NG

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

DOE/FE ORDER NO. 1925

DECEMBER 4, 2003

## I. DESCRIPTION OF REQUEST

On November 19, 2003, Peoples Energy Wholesale Marketing, LLC (PEWM) filed an application with the Office of Fossil Energy of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),<sup>1/</sup> for blanket authority to import from Canada up to 10 billion cubic feet (Bcf) of natural gas and to export to Canada up to 10 Bcf of natural gas. PEWM requests the authorization be granted for a two-year term beginning on December 6, 2003.

PEWM is a limited liability company organized under the laws of the State of Delaware with its principal place of business in Chicago, Illinois. PEWM's primary business is providing natural gas service to retail and wholesale customers in Illinois through its wholly owned, natural gas utility subsidiaries of (Peoples Gas Light, Coke Company and North Shore Gas Company). The requested authorization does not involve the construction of new pipeline facilities.

## II. FINDING

The application filed by PEWM 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 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 PEWM 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 blanket order authorizes transactions under contracts with terms of no longer than two years.

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<sup>1/</sup> 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).

ORDER

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

A. Peoples Energy Wholesale Marketing, LLC (PEWM) is authorized to import from Canada up to 10 Bcf of natural gas and to export to Canada up to 10 Bcf of natural gas over a two-year term beginning on December 6, 2003, and extending through December 5, 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, PEWM will file with the Office of Natural Gas & Petroleum Import & Export Activities, within 30 days following each calendar quarter, reports indicating whether imports and 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 and exports have occurred, PEWM must report the total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports will also provide the details of each import or export 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 or exit; and (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 breakdown of the contract price. [OMB No.: 1901-0294]

C. The quarterly reports required by Ordering Paragraph B 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.

D. The first quarterly report required by this Order is due not later than January 30, 2004, and should cover the period from December 6, 2003, through the end of the fourth calendar quarter, December 31, 2003.

Issued in Washington, D.C., on December 04, 2003.

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