

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

ENBRIDGE GAS DISTRIBUTION INC.)
)

FE DOCKET NO. 03-84-NG

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

DOE/FE ORDER NO. 1929

DECEMBER 11, 2003

I. DESCRIPTION OF REQUEST

On December 3, 2003, Enbridge Gas Distribution Inc. 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 authority to import and export up to a combined total of 300 billion cubic feet (Bcf) of natural gas from and to Canada. The applicant requests the authorization be granted for a two-year term beginning on January 1, 2004.

Enbridge Gas Distribution Inc. is an Ontario corporation with its principal place of business in North York, Ontario. Enbridge Gas Distribution Inc. is a wholly owned subsidiary of Enbridge Inc., which provides energy transportation, distribution and other services in North America and internationally. Enbridge Gas Distribution Inc. will import and export the natural gas under spot and short-term purchase arrangements on its own behalf and on the behalf of others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by Enbridge Gas Distribution Inc. 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 Enbridge Gas Distribution Inc. 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.

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

ORDER

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

A. Enbridge Gas Distribution Inc. is authorized to import and export up to a combined total of 300 billion cubic feet (Bcf) of natural gas from and to Canada over a two-year term beginning on January 1, 2004, and extending through December 31, 2005. This natural gas may be imported or exported at any point on the international border between the United States and Canada.

B. With respect to the natural gas imports and exports authorized by this Order, Enbridge Gas Distribution Inc. shall file with the 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, Enbridge Gas Distribution Inc. shall report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports shall also provide the details of each import and 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 April 30, 2004, and should cover the period from January 1, 2004, until the end of the first calendar quarter, March 31, 2004.

Issued in Washington, D.C., on December 11, 2003.

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