

UNITED STATES OF AMERICA  
DEPARTMENT OF ENERGY  
OFFICE OF FOSSIL ENERGY

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DYNEGY MARKETING AND TRADE  
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DOCKET NO. 05-87-NG

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

DOE/FE ORDER NO. 2144

OCTOBER 28, 2005

I. DESCRIPTION OF REQUEST

On October 7, 2005, Dynegy Marketing and Trade (Dynegy) 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 authorization to import up to 300 billion cubic feet (Bcf) of natural gas from Canada, and to export up to 165 Bcf of natural gas to Canada. Dynegy also requests authority to import up to 300 Bcf of natural gas from Mexico, and to export up to 165 Bcf of natural gas to Mexico. The applicant requests the authorization be granted for a two-year term beginning on October 31, 2005. Dynegy is a Colorado corporation with its principal place of business in Houston, Texas.

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 nations with which there are in effect free trade agreements requiring national treatment for trade in natural gas are deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by Dynegy to import and export natural gas from and to Canada and Mexico, nations with which free trade

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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 Redefinition Order No. 00.002.04A (April 13, 2005).

of agreements are in effect, meets the section 3(c) criterion and, therefore, is consistent with the public interest. This Order authorizes transactions with terms no longer than two years.

### ORDER

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

A. Dynegey is authorized to import up to 300 billion cubic feet (Bcf) of natural gas from Canada, and to export up to 165 Bcf of natural gas to Canada. Dynegey is also authorized to import up to 300 Bcf of natural gas from Mexico, and to export up to 165 Bcf of natural gas to Mexico. The term of the authority will begin on October 31, 2005, and extend through October 30, 2007.

B. This natural gas may be imported and exported at any point on the borders between the United States and Canada, and between the United States and Mexico.

C. **Monthly Reports:** With respect to the imports and/or exports of natural gas authorized by this Order, Dynegey shall file with the Office of Natural Gas Regulatory Activities, within 30 days following each calendar month, a report indicating whether imports and/or exports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If neither imports nor exports of natural gas have been made, a report of "no activity" for that month must be filed. If imports and/or exports of natural gas have occurred, the report must give the following details: (1) for imports, country of origin; (2) point(s) of entry and exit; (3) total volume at each import point in Mcf for the month; and (4) for exports, the country of destination. [OMB NO.: 1901-0294]

D. The first monthly report required by this Order is due not later than December 30, 2005, and should cover the reporting period October 31, 2005, through November 30, 2005.

E. **Quarterly Reports:** With respect to the natural gas imports and exports authorized by this Order, Dynegy shall file with the Office of Natural Gas Regulatory Activities, within 30 days following each calendar quarter, reports indicating whether imports and/or exports of natural gas have been made. Quarterly reports must be filed whether or not initial deliveries have begun. If imports and/or exports of natural gas have not been made, a report of "no activity" for that calendar quarter must be filed. If imports and/or exports have occurred, the report must give the details of each transaction, including: (1) the country of origin; (2) the total monthly volumes in thousand cubic feet (Mcf); (3) the average purchase price of gas per million British thermal units (MMBtu) at the international border; (4) the name of the seller(s); (5) the name of the purchaser(s); (6) the estimated or actual duration of the agreement(s); (7) the name of the United States transporter(s); (8) the point(s) of entry and exit; and (9) the geographic market(s) served (for imports, by State). [OMB No.: 1901-0294]

F. The first quarterly report required by this Order is due not later than January 30, 2006, and should cover the period from October 31, 2005, until the end of the fourth calendar quarter, December 30, 2005.

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

Issued in Washington, D.C., on October 28, 2005.



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Office of Fossil Energy