

UNITED STATES OF AMERICA
DEPARTMENT OF ENERGY
OFFICE OF FOSSIL ENERGY

RECEIVED
FE DOCKET NO. 87-34-LNG
2005 JUN 24 P 3:17
OFFICE OF FOSSIL ENERGY
U.S. DEPARTMENT OF ENERGY

DUKE ENERGY LNG SALES, INC.

FE DOCKET NO. 87-34-LNG

ORDER VACATING LONG-TERM AUTHORIZATION
TO IMPORT LIQUEFIED NATURAL GAS
FROM ALGERIA

DOE/FE ORDER NO. 289-D

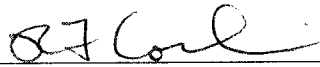
In DOE/ERA Opinion and Order No. 289 (Order 289), issued December 23, 1988¹, as amended on February 23, 1989, in DOE/FE Order No. 289-A², as amended on October 31, 1996, in DOE/FE Order No. 289-B³, and as further amended on September 15, 1997, in DOE/FE Order No. 289-C⁴, the Office of Fossil Energy (FE) of the Department of Energy (DOE) granted Duke Energy LNG Sales, Inc. (DELSI) authorization to import up to 3.3 Tcf of Algerian liquefied natural gas (LNG). The term of the authorization is for twenty years which began on December 11, 1989.

^{1/} 1 ERA ¶ 70,133
^{2/} 1 FE ¶ 70,204.
^{3/} 1 FE ¶ 71,321.
^{4/} 1 FE ¶ 71,444.

On May 18, 2005, DELSI filed a request with FE to vacate Order 289, as amended, effective May 17, 2005. DELSI has no further plans to import LNG and, as such, no longer requires the authorization.

Accordingly, pursuant to section 3 of the Natural Gas Act, Order No. 289, as amended, authorizing the import of LNG from Algeria, is hereby vacated.

Issued in Washington, D.C., on June 24, 2005.



R.F. Corbin
Manager, Natural Gas Regulatory Activities
Office of Oil and Gas Global Security and Supply
Office of Fossil Energy

New

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May 17, 2005

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Via Facsimile and First Class Mail

Ms. Larine Moore
Docket Manager, Natural Gas Regulatory Activities Team
Office of Natural Gas and Petroleum Import and Export Activities
Fossil Energy
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Forrestal Building, Room 3E-042, FE-34
1000 Independence Avenue, S.W.
Washington, D. C. 20585

RECEIVED
FE DOCKET ROOM
2005 MAY 18 A 11:48
OFFICE OF ENERGY DELIVERY
U.S. DEPARTMENT OF ENERGY

**Re: *Duke Energy LNG Sales, Inc.*, DOE/FE Docket Nos. 87-34-LNG and 89-77-LNG,
Request to Terminate Authorizations to Import LNG and to Vacate Orders**

Dear Ms. Moore:

On December 23, 1988, the Department granted the request by Duke Energy LNG Sales, Inc.'s (DELSI) predecessor company, Pan National Gas Sales, Inc., for authorization to import Algerian liquified natural gas (DOE/FE Opinion and Order No. 289) for a twenty-year term beginning from the date of first delivery.¹

On November 23, 1990, the Department granted the request by Pan National Gas Sales, Inc., for authorization to import Algerian liquified natural gas (DOE/FE Opinion and Order No. 453) for a fifteen-year term extending through September 1, 2005.²

DELSI has no further plans to import LNG and, as such, no longer requires import authorization from the Department.³ Accordingly, DELSI respectfully requests that the Department terminate its

¹ The Department subsequently issued orders amending this authorization to reflect a name change to PanEnergy LNG Sales, Inc. (Order No. 289-B, October 31, 1996) and then to Duke Energy LNG Sales, Inc. (Order No. 289-C, September 15, 1997).

² The Department subsequently issued orders amending this authorization to reflect a name change to PanEnergy LNG Sales, Inc. (Order No. 453-A, October 31, 1996) and then to Duke Energy LNG Sales, Inc. (Order No. 453-B, September 15, 1997).

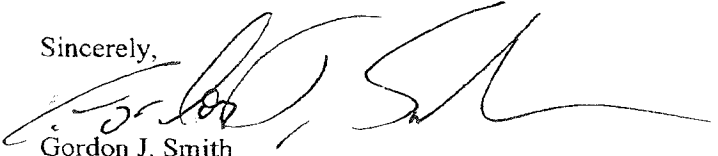
³ DELSI's two-year short-term blanket authorization, FE Docket No. 91-57-LNG (Order No. 569), expired in 1999.

import authority under FE Docket Nos. 87-34-LNG and 89-77-LNG, effective May 17, 2005, and vacate all associated DOE/FE Orders.

Contemporaneously with this request, DELSI is submitting a separate notice to the Department concerning its import activities for the last quarter of 2004 through May 17, 2005.

Please feel free to call me directly at (202) 429-8814 if you have any questions regarding this application.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gordon J. Smith', written over a horizontal line.

Gordon J. Smith

Counsel for Duke Energy LNG Sales, Inc.

cc: Andrea M. Bertone