

UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

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TRANSCANADA ENERGY LTD. )  
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FE DOCKET NO. 09-17-NG

ORDER GRANTING LONG-TERM AUTHORIZATION TO  
IMPORT NATURAL GAS FROM CANADA

DOE/FE ORDER NO. 2627

APRIL 6, 2009

## I. DESCRIPTION OF REQUEST

On March 6, 2009, TransCanada Energy Ltd. (TCE) filed an application with the Office of Fossil Energy (FE) of the Department of Energy (DOE), under section 3 of the Natural Gas Act (NGA),<sup>1/</sup> for authority to import up to 0.0153 billion cubic feet (Bcf) of natural gas from Canada per day beginning on April 1, 2009 and extending until March 9, 2019. TCE, is a Canadian corporation with its principal place of business in Calgary, Alberta. TCE, an energy marketing company, is an indirect wholly-owned subsidiary of TransCanada PipeLines Limited. TCE proposes to import natural gas either on its own behalf, or as a broker or agent on behalf of others. Under a gas transportation contract between TCE and Portland Natural Gas Transmission System (PNGTS) dated July 9, 1997, the individual sales transactions pursuant to which gas will be imported will be negotiated by the buyer and seller. Market conditions will determine the price and other terms of each transaction. Individual negotiation of each transaction ensures that the proposed imports will be competitive at its inception and will remain competitive throughout its term.<sup>2/</sup>

TCE intends to transport the imported natural gas on the PNGTS pipeline for sale in markets served by PGNTS. The gas will enter the United States near PNGTS's Pittsburg Interconnect for delivery to the Boston area. The requested authorization does not involve the construction of new pipeline facilities.

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<sup>1/</sup> 15 U.S.C. § 717b. This authority is delegated to the Assistant Secretary for FE pursuant to Redelegation Order No. 00-002.04D (November 6, 2007).

<sup>2/</sup> The gas transportation contract between TCE and PGNTS was originally between TransCanada Gas Services Inc. (now TransCanada Gas Services LLC) (TCGS) and PNGTS (See DOE/FE Order No. 1382, issued on May 8, 1998, 1 FE ¶ 71,558). The capacity in the underlying contract was assigned from TCGS to TCE in June 2003. The contract will expire March 9, 2019.

## 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, including liquefied 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 and the import of LNG from other international sources are deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by TCE to import natural gas from Canada meets the section 3(c) criterion and, therefore, is consistent with the public interest.

## ORDER

Pursuant to section 3 of the NGA, it is ordered that:

A. TCE is authorized to import up to 0.0153 Bcf of natural gas from Canada per day over beginning April 1, 2009, and extending until March 9, 2019.

B. This natural gas may be imported at any point on the border between the United States and Canada.

C. **Monthly Reports:** With respect to the natural gas imports authorized by this Order, TCE shall file with the Office of Natural Gas Regulatory Activities, within 30 days following the last day of each calendar month, a report indicating whether imports of natural gas have been made. Monthly reports must be filed whether or not initial deliveries have begun. If no imports have been made, a report of “no activity” for that month must be filed. If imports of natural gas have occurred, the report must give the following details: (1) the country of origin; (2) the point(s) of entry; (3) the volume in thousand cubic feet (Mcf); (4) the average purchase price of

gas per million British thermal units (MMBtu) <sup>4</sup>at the international border; (5) the name of the supplier(s); (6) the name of the U.S. transporter(s); (7) the estimated or actual duration of the supply agreement(s); and (8) the geographic markets(s) served (list State(s), U.S. Census Region(s), or general U.S. geographic area(s)). [OMB No.: 1901-0294]

D. The first monthly report required by this Order is due not later than May 30, 2009, and should cover the reporting period from April 1, 2009 through April 30, 2009.

E. All monthly report filings shall be made to U.S. Department of Energy (FE-34), Office of Fossil Energy, Office of Natural Gas Regulatory Activities, P.O. Box 44375, Washington, D.C. 20026-4375 Attention: Ms. Yvonne Caudillo. Alternatively, reports may be e-mailed to Ms. Caudillo at [Yvonne.caudillo@hq.doe.gov](mailto:Yvonne.caudillo@hq.doe.gov) or [ngreports@hq.doe.gov](mailto:ngreports@hq.doe.gov), or may be faxed to Ms. Caudillo at (202) 586-6050.

Issued in Washington, D.C., on April 6, 2009.



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Office of Oil and Gas Global Security and Supply  
Office of Fossil Energy