UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

NORTH CANADIAN MARKETING CORPORATION	FE DOCKET NO. 94-80-NG

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

DOE/FE ORDER NO. 989

OCTOBER 27, 1994

I. DESCRIPTION OF REQUEST

On September 30, 1994, North Canadian Marketing Corporation (NCM) 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/ and DOE Delegation Order Nos. 0204-111 and 0204-127, for blanket authorization to import and export natural gas from and to Canada. Specifically, NCM proposes to import up to 146 Bcf of Canadian natural gas and to export up to 40 Bcf of imported or domestic natural gas. The term of the authorization would be for a period of two years beginning on the date of first import or export after December 31, 1994.2/ NCM, a California corporation with its principal place of business in Santa Ana, California, is a wholly-owned subsidiary of North Canadian Oils Limited, a Canadian corporation. The requested authorization would allow NCM to import and to export this gas under short-term and spot market transactions for its own account, as well as for the accounts of others for which NCM may agree to act as agent. The construction of new pipeline facilities would not be involved.

II. FINDING

The application filed by NCM has been evaluated to determine if the proposed import/export arrangement meets the public interest requirement of section 3 of the NGA, as amended by

1/ 15 U.S.C. 717b.

2/ This is the expiration date of NCM's current blanket authorization to import and export natural gas from and to

Canada, granted by DOE/FE Opinion and Order No. 677 on October 1, 1992
(1 FE   70,685).

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 NCM 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.

ORDER

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

A. North Canadian Marketing Corporation (NCM) is authorized to import from Canada up to 146 Bcf of natural gas and to export to Canada up to 40 Bcf of natural gas. The term of the authorization is for a period of two years beginning on the date of first import or export after December 31, 1994. This natural gas may be imported and exported at any United States border point.

B. Within two weeks after deliveries begin, NCM shall provide written notification to the Office of Fuels Programs (OFP), Fossil Energy, Room 3F-056, FE-50, Forrestal Building, 1000 Independence Avenue, S.W., Washington, D.C. 20585, of the date that the first import or export of natural gas authorized in

Ordering Paragraph A above occurred.

C. With respect to the natural gas imports and exports authorized by this Order, NCM shall file with OFP, within 30 days following each calendar quarter, quarterly reports indicating whether imports or exports of natural gas have been made. If no imports or exports have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports occur, NCM must 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 and exit; (6) the geographic market(s) served; (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.

D. The first quarterly report required by Ordering Paragraph C of this Order is due not later than April 30, 1995, and should cover the period from January 1, 1995, until the end of the first calendar quarter, March 31, 1995.

Issued in Washington, D.C., on October 27, 1994.

Anthony J. Como
Director
Office of Coal & Electricity
Office of Fuels Programs

Office of Fossil Energy