UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

TRANSTEXAS GAS CORPORATION	)	FE DOCKET NO. 93-125-NG

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

DOE/FE ORDER NO. 907

JANUARY 3, 1994

I. DESCRIPTION OF REQUEST

On November 15, 1993, TransTexas Gas Corporation (TransTexas) 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 up to 150 Bcf of natural gas from Canada. In addition, TransTexas proposes to import and export up to a combined total of 150 Bcf of natural gas from and to Mexico. The import/export authorization would be for a period of two years, beginning on the date of the initial import or export delivery, whichever occurs first. TransTexas is a Delaware corporation engaged in the production, transportation and marketing of oil and natural gas. Its principal place of business is in Houston, Texas. TransTexas will import and export the proposed volumes under spot and short-term purchase arrangements, either on its own behalf or as an agent for others. The requested authorization does not involve the construction of new pipeline facilities.

II. FINDING

The application filed by TransTexas 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 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

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

is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by TransTexas to import natural gas from Canada and to import and export natural gas from and to Mexico, nations 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. TransTexas Gas Corporation (TransTexas) is authorized to import up to 150 Bcf of natural gas from Canada and to import and export up to an aggregate of 150 Bcf of natural gas from and to Mexico. This authorization shall extend for a period of two years, beginning on the date of the initial import or export delivery, whichever occurs first. This natural gas may be imported and exported at any United States border point.

B. Within two weeks after deliveries begin, TransTexas 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 delivery of natural gas authorized in Ordering Paragraph A above occurred.

C. With respect to the natural gas imports and exports authorized by this Order, TransTexas shall file with OFP, within

30 days following each calendar quarter, quarterly 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 have been made, a report of "no activity" for that calendar quarter must be filed. If imports or exports occur, TransTexas must report total monthly volumes in Mcf and the average purchase price of gas per MMBtu at the international border. The reports also shall 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, 1994, and should cover the period from the date of this Order until the end of the first calendar quarter, March 31, 1994.

Issued in Washington, D.C., on January 3, 1994.

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