UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

COASTAL GAS MARKETING COMPANY	)	FE DOCKET NO. 94-47-NG

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

DOE/FE ORDER NO. 959

JUNE 21, 1994

I. DESCRIPTION OF REQUEST

On June 1, 1994, as amended June 15, 1994, Coastal Gas Marketing Company (CGM) 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 up to a combined total of 750 Bcf of natural gas, including liquefied natural gas (LNG), from and to Canada and Mexico. The term of the authorization would be for a period of two years beginning on the date of the first import or export after July 11, 1994.2/ CGM, a Delaware corporation with its principal place of business in Houston, Texas, is in the business of buying and selling natural gas. CGM plans to import and export this gas under short-term and spot market arrangements, either on its own behalf or as the agent for others. The requested authorization does not involve the construction of new pipeline or LNG facilities.

II. FINDING

The application filed by CGM 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

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

2/ This is the expiration date of CGM's existing blanket import and export authorization granted in DOE/FE Opinion and Order No. 644, issued July 10, 1992 (1 FE 70,608).

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 CGM to import and export natural gas and LNG from and to Canada and 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. Coastal Gas Marketing Company (CGM) is authorized to import and export up to a combined total of 750 Bcf of natural gas, including liquefied natural gas (LNG), from and to Canada and Mexico. The term of this authorization is for a period of two years beginning on the date of the initial import or export after July 11, 1994. This natural gas and LNG may be imported and exported at any United States border point.

B. Within two weeks after deliveries begin, CGM 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 or LNG authorized in Ordering Paragraph A above occurred.

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

30 days following each calendar quarter, quarterly reports indicating whether imports or exports of natural gas and LNG 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 have occurred, CGM 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 October 30, 1994, and should cover the period from July 12, 1994, until the end of the third calendar quarter, September 30, 1994.

Issued in Washington, D.C., on June 21, 1994.

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

Office of Fossil Energy