UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

WASCANA ENERGY MARKETING (U.S.) INC.	FE DOCKET NO. 94-68-NG

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

DOE/FE ORDER NO. 981

SEPTEMBER 26, 1994

I. DESCRIPTION OF REQUEST

On September 13, 1994, Wascana Energy Marketing (U.S.) Inc. (WEM) 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 a combined total of up to 200 Bcf of natural gas from and to Canada and Mexico. The term of the authorization would be for a period of two years beginning on the date of first delivery after December 31, 1994.2/ WEM, a wholly-owned subsidiary of Wascana Energy Inc., is a Delaware corporation with its principal place of business in Calgary, Alberta. WEM will import and export the gas under short-term and spot market transactions on its own behalf and as an agent for others. The construction of new pipeline facilities would not be involved.

II. FINDING

The application filed by WEM 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).

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

2/ This is the expiration date of WEM's current blanket authorization to import and export natural gas, granted by DOE/FE Opinion and Order No. 708 on November 13, 1992 (1 FE 70,665), as amended by DOE/FE Order No. 708-A, issued on January 13, 1994 (1 FE 70,923). Order No. 708-A incorrectly stated that as of January 1994, no imports or exports had occurred under the two-year authorization. Actually, imports from Canada began on January 1, 1993.

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 WEM to import and export natural gas 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. Wascana Energy Marketing (U.S.) Inc. (WEM) is authorized to import and to export a combined total of up to 200 Bcf of natural gas from and to Canada and Mexico, over a two-year term, beginning on the date of first import or export delivery 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, WEM 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, WEM 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, WEM 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 September 26, 1994.

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

Office of Fossil Energy