UNITED STATES OF AMERICA

DEPARTMENT OF ENERGY

OFFICE OF FOSSIL ENERGY

CANADA IMPERIAL OIL LIMITED	)	FE DOCKET NO. 95-55-NG

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

DOE/FE ORDER NO. 1075

AUGUST 7, 1995

I. DESCRIPTION OF REQUEST

On July 28, 1995, Canada Imperial Oil Limited (CIOL) 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. CIOL requests authority to import and export a combined total of up to 73 Bcf per year for a period of two years beginning on the date of the first delivery after October 31, 1995.2/ This equates to 146 Bcf over the term of the proposed authorization. CIOL, a Canadian corporation with its principal place of business in Calgary, Alberta, is owned 90 percent by Exxon Corporation and 10 percent by Imperial Oil Limited. CIOL would 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 CIOL has been evaluated to determine if the proposed import/export arrangement meets the public interest requirement of section 3 of the NGA, as amended

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

2/ This is the expiration date of CIOL's current blanket authorization to import and export natural gas, granted by DOE/FE Opinion and Order No. 706 on November 12, 1992 (1 FE 70,663).

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 is deemed to be consistent with the public interest and must be granted without modification or delay. The authorization sought by CIOL 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. Canada Imperial Oil Limited (CIOL) is authorized to import and to export a combined total of up to 146 Bcf of natural gas from and to Canada. The term of this authorization is for a period of two years beginning on the date of the initial import or export delivery, whichever occurs first, after October 31, 1995. This natural gas may be imported and exported at any point on the border of the United States and Canada.

B. Within two weeks after deliveries begin, CIOL 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, CIOL 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, CIOL must report the following: (1) total monthly volumes in Mcf; (2) the average monthly price of gas per MMBtu at the international border; (3) the name of the seller(s); (4) the name of the purchaser(s); (5) the estimated or actual duration of the agreement(s); (6) the name of the U.S. transporter(s); (7) the point(s) of entry or exit; and (8) the geographic market(s) served (for imports, by state). For import transactions only, the reports also shall include: (1) whether sales are being made on an interruptible or firm basis; and, if applicable, (2) 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 January 30, 1996, and should cover the period from November 1, 1995, until the end of the fourth calendar quarter, December 31, 1995.

Issued in Washington, D.C., on August 7, 1995.

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